Daily Report

Latin America

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Cuba

Rodriguez Analyzes Results of Guadalajara Summit

PA2307043191 Mexico City NOTIMEX in Spanish 0209 GMT 23 Jul 91

[Text] Havana, 22 Jul (NOTIMEX)— Cuban Vice President Carlos Rafael Rodriguez said here today that his country struggled for unity and understanding of all the nations of the region during the recent Ibero-American Summit at Guadalajara.

In spite of the speculations that the Havana government would encourage a division with the other Latin American countries, Cuba—through its President Fidel Castro—represented the unity with the other nations of the group, Rodriguez said.

In the first reaction of the Cuban delegation after returning from Mexico, Rodriguez said that contrary to what was expected, the Cuban president was not contradicted by his colleagues.

The vice president emphasized that unity prevailed at the Guadalajara summit, "in spite of the efforts our close neighbors (the United States) made to prevent it."

Rodriguez described the "Guadalajara Declaration" as one of the most important documents issued by the Latin American community at this time.

He emphasized that one of the most important aspects of the summit was that of discovering the possibility of establishing unity as a step prior to the reintegration of all Latin America and "that socialists and rightists can be united by the same purpose," he said.

Rodriguez said that the Cubans are pleased because the Latin American young leaders understand the reality of the region even though there are different political stands.

Among these leaders, he noted, is Brazilian President Fernando Collor de Mello and his concepts on "the division of the world between the affluent north and the impoverished south."

With regard to the Central American presidents, the Cuban vice president pointed out that, in general, they all maintained a tone of unity that is very important and that it was a surprise to find that Central American leaders make statements different from those disseminated by the press.

Reviews Declaration

PA2307185991 Havana Radio Havana Cuba in Spanish 1400 GMT 23 Jul 91

[Text] Carlos Rafael Rodriguez, vice president of the Cuban Councils of State and Ministers, said here in Havana that the same problems reviewed in the book *Challenges of the South* were discussed in Guadalajara in a realistic and practical manner. He emphasized that the first Ibero-American Summit's final declaration is the most important document in the Latin American community, and proves the validity of the Southern Commission's proposals.

Carlos Rafael Rodriguez today presented the book *The Challenges of the South* at the Casa de las Americas. The book was prepared by the commission, which is comprised of 27 Third World personalities, including the Cuban leader. The book's presentation was preceded by a debate on the South's challenges, which included the participation of several specialists who agreed that the book proves the Third World's intellectual capability to criticize its own national projects and to propose new projects in development.

Commentary Views Cuba's Role at Summit

PA2207162891 Havana Radio Havana Cuba in Spanish 1400 GMT 20 Jul 91

[Commentary read by Roberto Morejon]

[Text] U.S. President George Bush did nothing more than call his Mexican counterpart, Carlos Salinas de Gortari, on the telephone upon the opening of the first Ibero-American Summit. In this way, he demonstrated his lack of interest in the event, from which the United States was sidelined, but which was very useful for Latin Americans.

White House officials would have been more interested in the Guadalajara meeting if, instead of discussing regional integration in detail, the participants had sought to have Cuba sit in a so-called defendant's chair. Indeed, the most reactionary of individuals of Cuban origin who reside in the United States and the U.S. Government, which plays their game, had wagered that the Guadalajara summit would push Cuba into a corner because of its decision to continue to follow its own political course, without mimicking the East Europeans' return to capitalism.

However, those who wasted their time thinking this were foiled because, starting with the Mexican Government's brilliant preparation for the event through statements by statesmen at the forum, emphasis was placed on an analysis of common problems without nuance or rhetoric. Cuba's internal situation is determined by the Cuban people, and this was stated by many rulers, although a minority at times had recourse to phrases coined by the colony of persons of Cuban origin who reside in Miami. Plans designed to point up the alleged isolation of Cuba also came to nothing, because the Cuban delegation, headed by President Fidel Castro, made itself heard, assisted as it was by a powerful ally—the truth.

Those who desired a trial of Cuba within the framework of the event held in the capital of the state of Jalisco, Mexico, had a fit of impotence upon reading news dispatches about the establishment of consular and trade relations between Colombia and Cuba, and between

Chile and Cuba, the largest island in the Antilles. They had a similar reaction when OAS Secretary General Joao Baena Soares said in Guadalajara that the Cuban situation with regard to the OAS should be viewed from a new perspective.

Cuba did not reject the concern of friends who, in good faith, are looking out for its presence and its future, both of which are not lacking in complexity, but it emphasized at the summit that it will never yield to any kind of pressure from any country, no matter how powerful. Cuba's defense of its principles amid a turbulent sea like that which surrounds the island is acknowledged by both its friends and its adversaries.

PCC Congress Organizational Committee Created

FL1907221191 Havana Cuba Vision Network in Spanish 1700 GMT 19 Jul 91

[Text] The main organizing committee for the Fourth Communist Party of Cuba [PCC] Congress has been constituted in Santiago de Cuba.

[Begin recording] [Reporter Maria del Carmen Diaz] Preparations for the Fourth PCC Congress have begun in Santiago de Cuba with a meeting presided over by Politburo member Jose Ramon Machado Ventura. Esteban Lazo, Politburo member and first secretary of the PCC in Santiago de Cuba Province, was also present. Lazo will chair the main committee in charge of assigning the work to the organizational subcommittees.

[Machado] First of all, since the organizing committee is in charge of making the arrangements, we are trying not to duplicate the work of the subcommittees. In other words, the main work should be done by the committee that has been created here in Santiago de Cuba City and province. This means that we would support the Central Committee comrades who have the experience of previous congresses. However, the comrades who have responsibilities in the party as well as in the government in the province would carry out all the tasks.

We have a lot of advantages now. As you all know, many facilities are being completed for the Pan-American Games and some of these will be used to house Congress delegates. This will save resources and work. As we have said, the congress needs to be a low-cost congress. However, we have the facilities.

[Diaz] How is the first round of election of delegate nominees progressing?

[Machado] We have made inquiries every place we went and so far we have seen that it is progressing well. We believe that most assemblies will be completed this month. Some might be held in August, but about 80 percent of the assemblies to hold the first round of elections of delegates and Central Committee member nominees will be held in July. Progress is being made. We agreed that workers should be notified of the selection made by the party nucleus and the workers have received the nominees well. [end recording]

Program Discusses PCC Development Process

FL2307000891 Havana Radio Rebelde Network in Spanish 2330 GMT 20 Jul 91

[From the "In Our Own Voice" segment of the "Exclusivo" program with host Lazaro Barredo and guests Julio Garcia Luis, president of the Cuban Journalists Union, and Dario Machado, director of the Communist Party of Cuba Central Committee Sociopolitical Studies and Advisory Center]

[Text] [Barredo] Greetings, friends, this is Lazaro Barredo speaking for "In Our Own Voice." Today I have invited to the program Comrade Julio Garcia Luis, president of the Cuban Journalists Union [UPEC], and Comrade Dario Machado, director of the Sociopolitical Studies and Advisory Center of the Central Committee of the Communist Party of Cuba [PCC].

The subject that we want to discuss this evening refers to the process that is being carried out right now throughout the country prior to the Fourth PCC Congress. This process is, in my judgment, totally unique. I do not recall having heard of any element of this before, where the very party leadership has granted to the membership, to the working masses themselves, the opportunity to elect the delegates of the congress, as well as of proposing the pre-candidates for the party Central Committee. Of course, I believe that this is even more significant if we take into account the vigorous slander campaign being carried out against Cuba, especially about the lack of openness and democracy in our country. I think that this very unique effort by the party is giving the lie in an extraordinary way to ...[rephrases] by what is happening in Cuba with respect to this process. I do not want to make my introduction very long. I do not know which of you two would like to....

[Machado, interrupting] Well, Lazaro, the matter that you have chosen is a very wide subject. Really, focusing on this, asking what are the characteristics of the propaganda against Cuba, one of the basic characteristics today is to try to deny that the Cuban revolution has the capacity for self-renovation, the capacity to change. That is, to present the Cuban revolutionary process as a process already finished, incapable of renovation, incapable of finding the formulas to give continuity to the process of continuing to build socialism, above all when socialism has ebbed in Eastern Europe, and when there are countries that have abandoned the road to socialism and have turned toward a capitalist society.

I believe that one of the fundamental questions involves the role of the party and what is the true process of how the party has arisen. I believe that here, in the framework of this propaganda against Cuba, we would also have to remember that one of the dogmas that they try to impose

through this propaganda is that you cannot find democracy in a country where there exists only one political party. I believe that this is an essential point. In the case of the Cuban revolutionary process, for historical and political reasons, and even for of juridical reasons, we have one party, a single party, with the capacity to carry out a public dialogue as broad as the one that was carried out in the process of debating the basic document for the Fourth PCC Congress.

As you noted in your introduction, I believe that the most important of the historical roots of a single party has been the process of Cuban national unity. That is, how we, in order to reaffirm, to achieve and then reaffirm, our sovereignty as a nation, we had to have unity as a country, and as a united country, as a united society, adopt in the current circumstances the characteristics of the existence of a single party which reflects the basic, vital interests of the great majority of the working people. I believe that here is a first point that we can, let us say, build on in the course of our conversation.

I also believe that the juridical roots are there also, and this also is part of the propaganda against Cuba. They present Cuba as a country that does not have a juridical base, that does not have an institutional foundation. But we have an approved Constitution that was approved through a truly popular process. I believe it is important to recall the nature of that debate. The Constitution of our country endorses the party in the principle leadership role. There was a process for its official adoption as the basic document of the Cuba nation. There was a very democratic process. First, there was a draft version. This draft was submitted for a very broad public debate. There were thousands of proposals to modify this Constitution. They modified 60 of the 141 articles of the Cuban Constitution. Then, once it was made into an actual proposal, it was submitted to a vote by referendum. This proposed Constitution was approved by a vote of 97.5 percent of the voters which is, of course, approximately 98 percent of all those in the country that had the right to vote. Therefore, by a very wide majority, an overwhelming majority, the Cuban people approved our Constitution, which establishes the forms of renovation of the peoples' government and which also established the role of the party in the principle leadership role, with a juridical base. This also is forgotten, this is denied in the debates, the analyses, that come from the propaganda. Remember that recently during the conference of the Caribbean Studies Association, in some sessions, in some discussions, some viewpoints were presented that totally denied the existence of a Constitution here, the existence of a legal base that was adopted by the majority, and this also plays a role. Of course, the role of the party is not spelled out in the letter of the Constitution, but rather the substance of its activity is given by what the party does and what the party represents, by the way the party works within society, which is exactly what gives life to this constitutional letter that has been adopted by the people.

[Barredo] Before passing the microphone to Julio, I would like to just make reference to what you have stated. The real, certain fact is that this entire campaign that attempts to present us as orthodox is at bottom dogmatic and very stereotyped, because those who are trying to attack Cuba for having a single political party start with the concept that to have a democracy you have to have a conflict of interests. We hold that this is not true. This is totally the opposite in our case. What you have to have is diversity so there will be creativity, but not necessarily antagonism. Because the day that we come to that, we will be simply serving the country up on a silver tray so the United States can carry out its perfidious design to diminish the concept of the sovereignty and self-determination of the Cuban people.

[Garcia] I wanted to say concerning this that in fact the party has been making changes and modifications in order to improve its functioning and its structure over a period of years. That is, what is happening right now is not something new that has begun now. It is the continuation of a process of internal improvement that the party has been carrying out. Now, what is happening right now in the party's base-level organizations is important. Through elections in the party cells and committees, they are nominating the pre-candidates for delegates to the congress. All the party cells, all the party committees at the work centers, have the opportunity of choosing from within themselves pre-candidates for delegations. A considerable number of production centers, educational and scientific centers, also have the opportunity of directly choosing delegates to the congress. In the first case, these pre-candidates are nominated and then the provincial party committees, the party committee on the Isle of Youth, and the political organizations in the Revolutionary Armed Forces and the Ministry of the Interior hold sessions to elect the delegates.

But the interesting thing is that the selection of the 1,800 delegates who will attend the congress on 10 October is occurring from the base level with a process that is not limited only to the party organizations and their members. There is also active participation by all the workers at those centers, because the work groups, those most directly connected with the pre-candidates, are consulted for their opinions, and in addition the biographies of the pre-candidates are publicly displayed. So there is a chance for any opinion held in the group of workers to be heard in connection with the nominations. So as I see it, the idea that has motivated this whole process is emerging there, the idea that the party is not only for communists but is a party for all patriots and the nation. The party is taking on and in fact carrying out and promoting the representation of all revolutionaries, all patriots, all those who identify with the socialist process.

[Barredo] I would like to say, Julio, something that also seems interesting to me. All this is part of work, as you said, that has a history. I think this work began at the first congress itself, but I think that later in the rectification process, when the party led the rectification process, the party also began to rectify within itself many

deformations, many copies that had been made of the methods and work styles of other experiences. The party began to form its own concepts, its own ideas, to build its own structures, methods, and work styles, which is what has been happening. I think a culminating moment of this whole experience was the discussion of the basic document for the fourth congress. Later, without the need to wait for the congress, the decision that was made concerning the party structures, the reductions, not to reduce staffs, not to reduce structures for their own sake—although it is an example for the rest of society—but in order to avoid duplication, to eliminate structures that would better belong to the state and the government. This was also to seek versatility in party work, greater connection with the masses, based on that idea, the idea that it is not the party of the communists or the working class but the party of the Cuban nation.

[Machado] Yes, I would like to return to the subject of the party as a form and instrument of democracy. In fact, in the propaganda against Cuba in the world, they are trying to impose the dogma that there is no democracy if there is only one party in a political system. This does not mean that to build socialism there must always be a single party. It means that in the specific case of Cuba, under our conditions, with our historic, legal, and political roots, to lead Cuban society into a political process of unification and consolidation, we are experiencing the reality of a single party with broad democratic participation.

Now, for this, we must also understand that the party we have forged and developed in Cuba is a party that distinguishes itself by not being like other parties in other places, in other countries, in many places, which are parties for elections. They are parties for the elections game. They are parties that do not assume any responsibility vis-a-vis society except simply to make promises at election time. Then after they are in power, they do not assume any kind of real, serious responsibility for their nation. The PCC is a [word indistinct] party. It is a different kind of party, because it is a working party. It is a party that has emerged from and been shaped by the masses. In these very methods of forming and creating the party itself, I think there is also an important aspect, which is to reaffirm this as a form of democracy, as a way of having democracy.

Why? Because, well, in the first place, how has this process of growth in the party ranks occurred? The process of growth in the party ranks is a process that always consults with the masses. Precisely in the discussion of the basic document for the fourth congress, 10 percent of the proposals for discussion, of all the proposals made in the discussions of the basic document, concerned to the PCC or the Union of Young Communists. They concerned the major political organizations in our country. This was not by chance. This is because in holding the discussions, the people gave basic importance, major importance, to the party. One of the things that came up the most—and as we know, this has already been the subject of specific measures by the party—is promoting the holding of the exemplary assemblies, as was done at the beginning of the formation of our party. The exemplary assemblies were the ones that were held the most.

We have never abandoned the line of the masses. Why? Because we have always consulted with the masses about granting party membership, but also because in the process of admitting anyone into the party, many workers were consulted, and the neighbors on that block, and this is always done. Every time there is a process of growth there is a process of consultation in which workers in different work centers where the candidate member works participate. The people in the neighborhood participate, giving their opinions about the candidate member, the president of the Committee for the Defense of the Revolution, the vigilance group, any workers there in the neighborhood participate. All their opinions are collected.

So in this whole process of growth there is broad participation by the people. When this comrade who has gone through this process becomes a member of the party, he then takes on the responsibilities of a party member in addition to all the responsibilities any revolutionary citizen in the country has as a revolutionary. He does not get any legal or other type of privileges. It is true, it is true, [repeats] and I think it is important for us to say so, that because there is a single party, and the prestige the PCC has, this means that in the party we always have to keep an eye out and pay special attention to detecting opportunism and detecting, well....

[Barredo, interrupting] Those who are seeking a political career.

[Machado] Those who are seeking a political career and those who are, well ....[changes thought] The party also has its mechanisms for this. It has mechanisms for reprimands, it has mechanisms for expelling party members, and every year there is a group of member who are either reprimanded or even lose their membership, because they have shown that they really do not have, or have lost, the qualities for party membership. What I want to reaffirm with this is the significance of the PCC as an instrument of socialist democracy because of how the party is built, how the party is nourished by the masses, because of the processes it has to clean up its own ranks in the sense that when there is someone who has lost the qualities for membership they can be expelled. It is possible that there may be someone who has been faking it for a long time, etc, and it takes longer to detect this. This can only be detected with certain evidence, but the party thus unquestionably has high prestige among the masses, because of its functioning and how it is connected to the masses.

But in addition, it is also an instrument of democracy because of its work style and methods. The whole process itself, the process of discussing the basic document for the fourth PCC congress, is a demonstration of broad participation, and this is not the first time this has been

done. In 1986 we also discussed the party program, and millions of Cubans also participated in discussing the program. I remember because our center also had to process the proposals, because 8,536 proposals for modifications, additions, or deletions to the text of the party program were made. Of these, more than 550 were adopted and incorporated into the text of the program as a result of the mass discussions. Then in the later session the program was approved. This means that as a method, the main party guidelines, the basic lines, have been adopted in conjuction wit' the masses.

To this we can add the characteristics of this process now. We can say that this is a change. It is an important change. I think these changes that are occurring in the party are a result of the maturity of the rectification process, because the time has come when it has been fully understood that the party should not be only the agent of rectification but also an object of it. I think that 1989, the second half of 1989, was when a full awareness was reached of the importance of rectification, including taking the party itself as a object of rectification. The masses have had considerable participation in this, in discussing the basic document for the fourth congress, in these proposals that have been made about promoting the exemplary assemblies, in these proposals that have been made about the functioning of the party.

Because these changes that have been made now that reduce, that in fact reduce ....[rephrases] But in contrast, as you said, it is not a change to reduce staffing in the party's auxiliary apparatus but a change in concept and internal structure that has to do with an entire process that occurred at the base level of the party when the rectification process had barely begun. This was the process in which the base-level organizations began to structure their leadership by secretaries to attend to the major problems of the base-level organizations. I think this process was very important. It is part of rectification, and right now this process of organizational changes and changes in the content of the base-level organizations is being supplemented by this process that is being carried out now, which helps to structure the party organizationally so the party will be more and more at the center of the problems.

[Barredo] Julio?

[Garcia] I would like to add a comment to this. We all like democracy, of course. It encourages us, and we need it. Our process also needs democracy for all its steps. Now, democracy cannot occur in a vacuum. I think that the exercise of democracy is very much connected with the conditions under which each country has to develop. In this regard I want to stress that the fact that even under current circumstances—under the pressures, dangers, and tensions we are experiencing—the party is showing this unquestionable will to continue to improve its internal democracy, its participative nature, its broadness. I think this is important evidence of the will to rectify and continue along its course.

Because I would say, speaking very clearly, that this is a time when one could even say that what we need more than democracy is cohesion and discipline, because we are facing a test. This is not exactly the time to make a lot of experiments, to make a lot of demonstrations of our ability to discuss things. Rather, this is a time for cohesion, discipline, unity, and concentration on the decisive goals we have set. But the fact that even now we are continuing in the direction of continuing to improve our democratic life within the party and the entire society, is something that I think tells us, gives us unquestionable evidence, that the course opened by rectification is not dependent on circumstances but rather is the best path for Cuban society now in the special period and tomorrow when the special period will be over.

[Barredo] I would sum it up, Julio, in a few brief words. I think that to answer those who say that Cuban society is stagnant, I think the greatest proof [that this is not true] is that even under the most difficult circumstances, the most important thing for our party is creative development. I think that based on this, the country has been able ....[changes thought] Because five years ago, for example, in the sciences, the scientific sector, there was a lack of movement. There was little potential for development. A lot of studies had been done, but the results were not applied. However, only four or five years after the start of rectification there have been substantial changes, a 180-degree turn, as a result of all this talent applied to seeking solutions. I think what we have been discussing about the social sciences are a demonstration that in spite of everything there is a firm will. Machado?

[Machado] I would like to comment on Julio's words, which I think are an important line for analysis. It is precisely that the party's vitality is shown, its vitality and its identification with the masses are shown by having opened this broad discussion by the people of the basic document for the fourth congress under difficult conditions, and in being willing to continue the process of rectifying mistakes and negative tendencies at a time when we are forced by external circumstances to enter the special period. That is, this approach to the problem seems basic to me, because I also believe that the form the democratic process is taking right now in Cuba is also part of discipline and the understanding that we must come out of this test united. I think this is how ....[rephrases] This unity, this discipline, this cohesion of the country is how the masses' democratic will is being expressed right now. Democracy is being expressed in knowing that we have to come out of a difficult test united. As Julio said, this process is not being carried out in a vacuum tube, because this process continues to be under the U.S. economic embargo. This process continues to be subject to an emotional campaign against Cuba, a campaign that is not only political. This campaign is also trying to do us the greatest damage and eliminate us economically as far as possible.

I think that it is right in this process that this democratic form is being expressed, and the leader in this process is the party.

[Barredo] Of course. Well, time is running out. Friends, I would only like to add that we cannot lose sight of the fact that when the Cuban nation was least democratic and least independent was precisely during the entire era of the so-called psuedo-republic, when we had many parties, parties that—as Dar'o explained so well—aimed above all at being elected. But the vast majority of them really did not have any desire to represent the interests of the people.

I have a problem. In my next program I would like to continue the specific analysis of the current process of preparing for the Fourth PCC Congress. I intend to invite other experts on this subject. However, my next program will have to be on Wednesday, 24 July, since 27 July is a holiday, as we all know, and the next Saturday, 3 August, we will be fully involved in the Pan-American Games. So, I thank you for your participation, and I will see you, friends, on 24 July for the second part of this subject about the party, on "In Our Own Voice."

News Agency Confirms Upcoming Mandela Visit

FL2307153991 Havana Tele Rebelde Network in Spanish 1357 GMT 23 Jul 91

[Text] The Cuban National News Agency has confirmed the upcoming visit of Nelson Mandela, leader of the African National Congress [ANC]. The South African leader will visit our country in response to an invitation made by our Commander in Chief Fidel Castro. Nelson Mandela was imprisoned by the South African apartheid regime for 27 years. He was recently elected president of the ANC during the 48th national conference of this organization.

Brazilian Minister on Possible Trade, Exchanges

FL1907125591 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 19 Jul 91

[Text] Brazilian Education Minister Carlos Alberto Chiarelli departed this afternoon to return to his country. He had come here at the invitation of the Cuban minister of education. Mr. Chiarelli had completed a busy work schedule in Cuba after arriving in Havana on 16 July. During his stay here he held talks with Cuban Education Minister Luis Ignacio Gomez Gutierrez and toured educational centers and other places of economic and social interest.

[Begin recording] [Chiarelli] I think we can easily have closer cooperation in order to get several of the procedures Cuba used concerning the literacy campaign to intensify the work we are doing in Brazil, as well as concerning materials or equipment for medicine, mainly for cardiology and neurology, for children who have deficiencies, for special education. We can probably get very good materials here in trade, in technical, trade, and educational exchange, for the university hospitals in Brazil.

[Unidentified reporter] I understand you met with Commander in Chief Fidel Castro. What impression do you have from those talks?

[Chiarelli] A very good impression, the best possible. He welcomed us with great warmth, and we brought to President Fidel, to him and to Minister Luis Gomez, the embrace and solidarity of the Brazilian people and the government of my country and the desire to work together more and more, motivated by the same feelings of freedom, independence, and Latin American brotherhood. [end recording]

Miret Evaluates Progress on Juragua Nuclear Plant

FL2307020191 Havana Radio Rebelde Network in Spanish 2305 GMT 22 Jul 91

[Text] Politburo member Pedro Miret Prieto has stated in Cienfuegos that the work to build the Juragua nuclear power plant is progressing normally in spite of the limitations imposed by the special period in peacetime. In closing a meeting to check on the progress of Cuba's "project of the century," Pedro Miret Prieto gave an evaluation of the work on the first reactor, which is at the stage of totally closing off the dome. He also confirmed the high work morale and spirit of sacrifice of the construction workers in their undertaking to carry the work forward with the quality demanded in the standards issued for that kind of construction project.

FEEM Streamlines Management, Aids With Crops

FL1907150591 Havana Radio Rebelde Network in Spanish 2300 GMT 18 Jul 91

[Text] Today, the national assembly of the FEEM [Intermediate Level Student's Federation] concluded after two days of sessions at the Jose Marti School in Cojimar, Havana. At the start of today's session, National FEEM President Barbara Cumplido, announced the organization's new work style beginning in September. The goal is to strengthen classroom performance since that is where the students are and to promote creative initiative in every classroom and school with whatever resources are available and without forgetting that the main task is to make the most out of the learning process. By September, the FEEM will have streamlined its leadership, added municipal committees where necessary, and reduced the number of provincial and national council members. Also, only provincial presidents that represent large student bodies or FEEM presidents from important study centers will belong to the national council.

School leaders and delegates to the FEEM congress will be elected by secret and direct vote to ensure better electoral discipline. Biographies of the candites will be made available ahead of time. It is necessary to elect only those best suited to represent all students.

Roberto Robaina, first national secretary of the UJC [Young Communist Union], said to the student:

[Begin Robaina recording] Because of its mass, the FEEM has to be considered very important. I am sure that this Sunday the student brigades are going to break the mobilization record. I want to stress the political weight of your accomplishment, 80 percent of the almost 96,000 youths that gave up a portion of their vacations and spent the first half of their Green Summer [current slogan] on the real green [the fields] are intermediate level students. FEEM students comprise 80 percent of this mobilization. Many have said that the FEEM belongs to the streets but this summer we can truly say that the FEEM not only belongs to the streets but also to the fields. I believe you should be proud of this phrase. You have corrected those who said that intermediate level students are only ready for big parties, large get-togethers, large walks, and mass concerts. You have proven that they were unmistakeably wrong. [end recording]

Inter-Caribbean Affairs

Conference Views Ties With N. America, Europe

Economists Urge Regional Solidarity

FL1807234691 Bridgetown CANA in English 2207 GMT 18 Jul 91

[By Colin King]

[Text] Santo Domingo, Dominican Republic, July 18, CANA—Caribbean economists meeting here Thursday urged deeper integration regionally to deal better with any opportunities, and dangers, in external economic programmes offered to the region.

"There needs to be greater integration in the Caribbean... Globalisation in the world has great implications for us and we too must strategise," Barbados Central Bank economist Marion Williams said. Williams chaired the first of two sessions covering Caribbean relations with North America and the Caribbean in the context of European integration, as the third conference of the Association of Caribbean Economist (ACE) continued Thursday.

The conference, which ends Saturday, is being held with the financial support of the Friedrich Ebert Stiftung of Germany, the Ford Foundation, and business houses here.

Several presenters argued that the Caribbean has been involved more than any other region in preferential trade and finance arrangements such as the Lome arrangement with the European Community, the U.S. Caribbean Basin Initiative, and the Canadian Caribcan, but the region has reaped little real benefit.

"In reality, both Lome and others have been initiatives which have provided very little to the Caribbean countries," Jose Serulle of Autonomous University of Santo Domingo observed. He said programmes are now being linked to structural adjustment policies of the type designed by the International Monetary Fund (IMF), and that the current U.S. Enterprise for the Americas Initiative (EAI) reflects the U.S. need for trade expansion to overcome internal economic problems.

"How can we be talking about signing an (economic) agreement with the United States if basic links among many regional countries are non-existent?" he asked. He said integration of the Caribbean is an ideal, which has to be pursued as a process and perhaps move forward at "bilateral, trilateral, and quadrilateral" levels as it evolves into a multilateral arrangement.

Trinidadian economist Henry Gill echoed observations by the Dominican Republic's Jacqueline Boin that the European Lome arrangement for African, Caribbean, and Pacific countries has changed, adding that the present Lome Four agreement may be the last. On the Caribbean linkage with North America, and in particular the context of proposed negotiations on the EAI, Gill said the fact that Canada kept 60 negotiators in Washington full-time during the North American free trade negotiations "gives you some insights of the magnitude of the task before us."

Puerto Rican Juan Castaner said the Caribbean should seek to arrive at a coherent position on what it expects from the EAI, and should examine the effects of the proposed commercial opening of the region. He cautioned about possible effects of the EAI on technology, trade, and investment issues, among others. "It may aggravate production weaknesses existing in regional states."

Caribbean Community (Caricom) Director of Economics and Policy Fay Housty observed that the Caricom position on EAI has developed from a policy of "wait and see," to technical consideration, to the signing of a framework agreement by the end of next week with the U.S. she agreed there is now need for the Community to address its "production side" for both export and domestic markets with a view to becoming more competitive in keeping with the envisaged opening of markets under the Initiative.

In response to questions by Barbadian Hilbourne Watson, about the slim record of regional institutions or agencies in negotiating or lobbying in Washington, Housty and Gill pointed to financial and administrative difficulties of lobbying abroad. Gill said lobbying is "an impossible task for any one country," and a "shared regional basis is necessary," while Housty said the manner of sharing itself may often be the problem to be settled.

Members Support Regional Approach

FL2207125591 Bridgetown CANA in English 1939 GMT 21 Jul 91

[By Colin King]

[Text] Santo Domingo, Dominican Republic, July 21, CANA—The third conference of the Association of Caribbean Economists (ACE) ended here Saturday with broad support among participants for regional approaches to current international economic challenges.

"What emerged is the sense of a greater Caribbean encompassing all four language blocs and.... that we have no option but to cooperate economically and in other ways.... to strengthen our capacity to confront the changes in the world economy," outgoing ACE President Norman Girvan told CANA.

The biennial conference, held this year in honour of distinguished Caribbean economist George Beckford who died last November, reflected the theme "The Caribbean in a World of Economic Blocs."

ACE members Friday elected Dominican Republic economist Miguel Ceara Hatton as the new president of the association. Girvan, based in Jamaica at the University of the West Indies, Mona, said the several papers and discussions at the conference showed clearly that Caribbean countries will face a much more competitive world environment for their exports of goods and services in the next 10 years.

"Globalisation of the world economy, and regionalisation, such as the European Community, imply that small, principally primary producing and tourism exporting, countries will face much wider competition.

"... They can become more competitive or efficient, or increasingly marginalised in the world economy, and it is in that context the role of regional cooperation is to assist countries through business cooperation and government to government cooperation in increasing the efficiency and flexibility especially of their export economies."

Girvan cited papers by Trinidadian economist Dennis Pantin, and U.S.-based Barbadian Hilbourne Watson on the garment and electronic production sectors respectively, a joint paper on the European integration and the Caribbean, and discussion of the banana industry which suggest greater competition and slim prospects for the regional industries under single Europe 1992 and North American free trade.

The choice small banana-exporting Caribbean countries like St. Lucia and Dominica face of diversifying or stagnating "is in a sense a symbol of the choice facing the whole Caribbean," he said.

Trinidadian economist Lloyd Best, a member of Beckford's "new world" group which founded the perspective of the Caribbean as a "plantation economy" in the international system, also referred to the "caribbeanness" forged at the conference and the need of a new Caribbean approach to the region's problems.

"There is a lot of talk about structural adjustment and privatisation and there is a whole regime of proposals emanating from the international lending agencies which is tending to take us in one direction.

"But I believe that we've reached a point where a whole countermovement is coming back and the work has restarted for an indigenous, self-reliant, (pattern) for development. I think that work is going to come into its own very shortly," Best told CANA.

Girvan said there is clear need for investment in human resources and for forms of economic organisation which can elicit "motivated and productive" efforts from workers, with emphasis on small enterprises, self employment, and cooperative arrangements.

Best said that, despite discussion around the region, a return to the model of the late Sir Arthur Lewis based on the infusion of capital, or foreign capital, for transformation of underdeveloped economies is not imminent.

"There is no chance whatsoever of a largescale migration of capital into the Caribbean.... The conditions are just not there for it and so we have to pull ourselves up by our own bootstraps," Best said.

A number of submissions made on the region's position in the international economy, and particularly in relation to the U.S. Caribbean Basin Initiative (CBI) and Enterprise for the Americas Initative (EAI), and the European single market suggested the Caribbean needed to find a strategy to extract itself from dependence on preferential trade arrangements.

According to Girvan: "Whether we can gain some temporary protection or even selective protection for some of our industries we will have to learn to be very competitive.

"We're going to have to stop trying to rely on special arrangments," he said, adding that the trend towards liberalisation is reflected in issues such as the EAI prescription of reciprocal benefits for the U.S. and participating countries.

Barbadian Hilbourne Watson warned of "some very fundamental problems" in relations between the U.S. and Caribbean for example, and urged deeper study and better application of expertise to the evolving relationship.

"We are at the point where the playing field has shifted considerably. We're not only dealing with national entities and national interests (but) with issues that are broadly global and which require the governments to devote more resources to dealing with the manifold problems that we face," Watson told CANA.

"Conceptualisation or reconceptualisation within the state system therefore has to take place, which perhaps the state has not even begun to imagine and therefore the technicians and technocrats themselves are at severe disadvantages."

There cannot, however, be a gradual approach to challenges posed by changes in Europe and North America: "I think that it has to be approached in a multi-pronged strategy.

"...Issues of the environment and the ecology have to be addressed at the same point at which we address questions of trade strategies, of production strategies, of deepening cooperation, and of setting up the technical side to support these kinds of activities in ways that we have never had to think of before."

He said such an approach appears necessary at the regional level in response to the conviction that "the entire architecture on which Caribbean participation in the world economy has been based has basically been collapsing."

CBU, German Foundation Extend TV Agreement

FL2207132391 Bridgetown CANA in English 2111 GMT 21 Jul 91

[Text] Basseterre, St. Kitts, July 21, CANA—The Barbados-based Caribbean Broadcasting Union (CBU) and the Friedrich Ebert Stiftung (FES) of Germany have signed an agreement extending until May 1994 their cooperation in a regional exchange of television programmes, the CBU announced. The agreement was signed at the weekend by CBU President Vic Fernandes and Michael Abend, FES consultant to the television exchange project. The signing followed a one day meeting here of the CBU management committee.

A key objective of the CBU/FES project is to increase the share of Caribbean programming on regional television stations to support efforts aimed at preserving the Caribbean cultural identity and promoting Caribbean integration. Over the next three years, cooperation will focus on further upgrading professional skills, developing and improving technical facilities for training and production, improving the means of satellite distribution, pooling existing resources, and expanding the current exchange to include networked programmes.

The FES so far has funnelled more than U.S. 1.5 million dollars into the project. Since the CBU and FES began their cooperation in October 1987, the daily news exchange "Caribvision" involving member systems was developed, the weekly magazine programme "Caribscope" introduced, and major regional events in the field of politics, culture, and sports covered.

Grenada

Reentry Into Regional Court Set for 1 Aug

FL1907170891 Bridgetown CANA in English 1648 GMT 19 Jul 91

[Text] Kingstown, St. Vincent, July 19, CANA—The 14 Grenadians who were sentenced to hang for the murder of former prime minister, Maurice Bishop and other members of his cabinet, might have recourse to appeal once Grenada rejoins the regional court system, said chief justice of the East Caribbean [EC] Appeal Court, Sir Lascelles Robotham. With Grenada now out of the EC court, the 14 neither have recourse to the regional appeal court nor the British Privy Council which is the final appelate of the EC system.

"The situation might prove to be different when they (Grenada) return to the Eastern Caribbean Supreme Court because the right of appeal from us to the British Privy Council is still existing. To my knowledge it is not open to them at the moment," the chief justice said.

Sir Lascelles said that he had been in close contact with the Grenada authorities to finalise matters for that country's re-entry into the regional court system. He said August 1, was the date set for Grenada to return to the Eastern Caribbean court system after an absence of almost 12 years. The country was removed from the system by Bishop's People's Revolutionaty Government and the trial of the 14 was conducted under an indigenous Grenada court system. Sir Lascelles said a final Caribbean Appeal Court is a neccessity.

"It has been talked about now for several years but there never seems to be any close moves towards its fruition, but I think it is quite a good idea and a necessary thing that we should have our own final court of appeal," he told CANA.

The chief justice noted that although its establishment would be costly, the difficulties are not insurmountable. Among the matters to be taken into consideration he said are the number of countries that would wish to be part of the system, the location of the court, staffing, and emoluments.

"All that.... will add up to a lot of money.... But if they (Caribbean governments) want it then it will come."

He said there were sufficient qualified persons in the region to staff the court which would save Caribbean nationals money for appeals to the privy council and offer a recourse to those who cannot afford to go to the privy council. Sir Lascelles, who has headed the regional court of appeal since 1984 retires in October.

Antihanging Demonstration Lightly Attended

FL1907225491 Bridgetown CANA in English 1905 GMT 19 Jul 91

[By Darryl Dean]

[Text] Toronto, July 19, CANA—Trinidad-born lawyer Charles Roach said here that the hanging of the 14 people convicted of the murder of Grenadian Prime Minister Maurice Bishop will brutalise the people of Grenada and the Caribbean.

"It will brutalise all of us who will do nothing but just allow this to happen without protesting," he told a demonstration outside the Grenadian Consulate on University Avenue here. The demonstration to protest against the death sentences and to seek public support for clemency for the 14 now on death row in Grenada attracted only a small gathering. Grenadians are reported to be deeply divided on the issue.

Commenting on the verdict of the Grenada court of appeal, Angela Bishop who was married to the slain Grenadian leader, but left Grenada for "private reasons" before his death, said justice must run its course.

"The fact remains that they (the convicted 14) have been sentenced," she told CANA in a telephone interview from her home in New York. I don't think justice will be served until they are hanged," she stressed.

Lennie Fleary, a former consular representative here for Grenada, said the verdict of the Grenada court of appeal brought the events of October 1983 "crashing back. If people are prepared to kill for a cause, then they should also be prepared to die for it," he remarked.

But at the demonstration Thursday, Roach, who heads the Canadian Committee on Human Rights in Grenada (CCHRG), condemned capital punishment, calling it "cold-blooded murder" and "a brutalising process."

Gregory Strachan, brother of former Grenadian Mobilisation Minister Selwyn Strachan, one of the 14 sentenced to death, told the demonstration that the sentences are "extremely cruel." He called on "revolutionary, democratic-minded people" to appeal to the Grenadian authorities to commute the death sentences.

A press release issued at the demonstration organised by the CCHRG noted that the 14 on death row are seen as "a political threat to the existing authorities and as persons determined to create political chaos and instability."

"In these circumstances, there is the real possibility that the government can decide to carry out the court's decision and execute the 13 men and one woman." The release said unless there is intervention of an "extraordinary nature," the 14 can be executed "in one stroke as early as Tuesday.

A Toronto-based Grenadian Government representative said that he was told of the demonstration but that the (Grenadian) Consulate here received no official communication from the organisers. He said several Grenadians who were asked to join the demonstration declined to do so.

Family members of several of the 14 convicted murderers, including the wives of two—Selwyn Strachan and John Ventour—reside in Toronto.

Haiti

Mesyeux Denies Charges of Mercenary Terrorism

FL2007005591 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 19 Jul 91

[Excerpts] During a news conference on 18 July, unionist Jean-Auguste Mesyeux accused segments of the lavalas [avalanche] government for threats against him and his family. Let us listen to the report of Frankel Valentin.

[Begin recording] [Valentin] Operation Storm Wind [OVAT] leader Jean-Auguste Mesyeux denies the rumor that he has received checks from abroad to lead a terrorist movement to destabilize state enterprises and to blow up all public enterprises in the country. According to the unionist, who was speaking during a news conference on 18 July, he has received many threats from some sectors of the lavalas government because of his political opinions. Jean-Auguste condemns this rumor against him, which he calls an "old practice."

[Mesyeux] [Passage omitted] This news conference will involve two main points. [passage omitted] I am reportedly the main actor in a plot against the government. HAITI OBSERVATEUR has mentioned two checks to me, one for $5,000 and the other for $10,000, supposedly my payment for leading a terrorist movement. According to reports, the movement is an armed struggle, and the operation has logistics ready to blow up all state offices and private enterprises, except the U.S. Embassy. [passage omitted]

[Valentin] The OVAT leader, who claims that threats against his family are being made, says that these messages threaten to drop grenades on his house. He says that he does not understand why he has been deemed a militant when he has always fought to improve the state and to establish a participative democracy in the country. Today he is regarded as a destabilizing agent because he is asking for change. [passage omitted]

Unionist Jean-Auguste Mesyeux again denies accusations that he is working for political leaders. The OVAT members ask the president of the country to provide more information on the agreement which will be signed between Haiti and the IMF, and on those retired military men, former Colonels Himler Rebut, Guy Francois, Leonce Qualo, and Serge Biamby, who attempted to overthrow General Prosper Avril in April 1989, and who are reportedly being reinstated in the Army.

The Operation members announce that they will deliver a memorandum on the country's political life to President Jean-Bertrand Aristide, along with a list of macoutes working in public administration offices, so the reforms can be completed before 7 August. [passage omitted]

OVAT members say they fear that the agreement between the Haitian Government and the International Monetary Fund will increase poverty and unemployment in the country. They assert that their operation will continue, however, because after five months, the new government of Rene Preval has not made the necessary reforms in public administration. [end recording]

El Salvador

FMLN Studying Ways To Become Political Force

PA2407050091 Panama City ACAN in Spanish 0058 GMT 24 Jul 91

[Text] San Salvador, 23 Jul (ACAN-EFE)—The Salvadoran guerrillas announced today that they are studying the conditions to become a political force, before signing a cease-fire with the government, according to a note published in a local evening newspaper.

Gerson Martinez, member of the newly formed political committee of the Farabundo Marti National Liberation Front (FMLN), said a study will be undertaken to determine whether it would favor the country's peace process, according to the report published by DIARIO LATINO.

The government and the FMLN have maintained talks with the mediation of the United Nations to end the 11-year long war, which must begin with the signing of a cease-fire.

"Our political participation is a legitimate right, therefore, these are not spaces that the government is giving us, but that we are taking," Martinez stated.

He explained that the FMLN political committee is the supreme organization of those activities in the country and includes a representative for each one of the five organizations that form the front.

"We are defining the political base that we have followed during these years and are turning toward a political incursion. We are prepared and are quite capable of matching our strength with the rightists through a democratic process that is still nonexistent and which we must build," Martinez added.

He announced that the committee has met with leaders of the political parties, except for the ruling Nationalist Republican Alliance, with leaders of private enterprise, professionals, and labor, social, and religious sectors.

Presidency Minister Oscar Santamaria stated today that the FMLN's future political participation was discussed at the negotiating table. "We are willing to have the FMLN integrated as a political sector to the national arena, although this is contemplated in the steps that must be taken in the negotiations process."

He added that to do otherwise "would alter the sequence of the process." He recalled that "in no way does the government rule out the possibility of the FMLN being a political force in the future."

Church Groups Report Harassment, Threats

PA2307162891 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 16 Jul 91

["Report" from the Northern Morazan Grass Roots Church Groups—dated July 1991, in Morazan]

[Text] We feel the Christian obligation to report actions that were recently carried out against our pastoral work:

1. A religious community in San Salvador was recently raided and looted, even the house owned by the archbishop. The action was carried out twice against the same community, and it reminds us of the search conducted at the Jesuit priests' community shortly before they were assassinated. In addition, it proves the hatred which prevails against Christian communities, which are close to the people. This hatred is still alive among dangerous forces that are traditionally at the service of the most powerful and repressive groups in El Salvador.

2. The anonymous threats against the parish priest of San Ramon neighborhood in San Salvador, and the religious community working in that parish, are also events which fall within the same guidelines.

3. Several days ago, pictures of FMLN [Farabundo Marti National Liberation Front] fighters were placed beside the pictures of some priests who work in our communities—along with phrases which term the grass roots church groups as terrorists—at the turn-off to El Amate and on the coastal road to Osicala.

4. We strongly protest and hold Colonel Leon Linares, commander of Military Detachment No. 4, responsible for this new threat against religious freedom and the truth. Actions like these are a direct attack on the church and its work in these communities. These actions are totally estranged from the atmosphere of reconciliation that the negotiations are trying to create. We want no more freedom than any other group of organized people. Religious freedom is part of democracy and any threat to it is also a threat to democracy.

Morazan, July 1991
Northern Morazan Grass Roots Church Groups

Wrapup of FMLN Activities 16-21 Jul

PA2407013591

[Editorial Report] San Salvador EL DIARIO DE HOY in Spanish on 16 July carries a 200-word report on the destruction of a Farabundo Marti National Liberation Front (FMLN) Modesto Ramirez Central Front operations camp, known as El Quemado, in Cerro Los Lirios, San Jose Guayabal, northeast of San Salvador. The report says that a mass grave was found containing 57 bodies and adds that in the fighting FMLN Commanders Marcelo, Damian, and Lieutenant Alex were killed. Quoting official sources, the paper says that the army seized 34 M-16 rifles, 13 AK-47 rifles, and six G-3 rifles; three rocket launchers, two Dragonov rifles, one D-60 machine gun, five Soviet M- 16 grenade launchers, three RPK rifles, one LAW, one RPG-7, 258 ammunition clips, approximately 4,000 cartridges, 144 mortar rounds, explosive material, 68 pairs of boots, a communications solar panel, and other materiel.

(Clandestine) Radio Venceremos in Spanish at 0000 GMT on 17 July broadcasts five minutes of battle

reports that include a report on fighting that took place on 15 July between Arce Battalion and National Army for Democracy (END) troops in San Gerardo, San Miguel Department. The report says that "Arce Battalion troops were flushed from two posts, leaving one dead and four others wounded."

The report continues to say that "a security company of that same battalion was evicted from three posts, resulting in three casualties on the Arce troops." The clandestine station also reports that on 17 July, "END soldiers attacked Arce Battalion troops at Hacienda Candelarios, in San Gerardo jurisdiction, San Miguel Department," inflicting five casualties on the enemy. The END reported the death of Rosario Aguilar alias Daniel. Radio Venceremos adds that "heavy fighting took place between the END and the Vaquerano Battalion in Chastepique, San Miguel" during which four casualties were inflicted on the Vaquerano files. The station continues to report that "END soldiers clashed with Ponce Battalion troops in Nueva Granada jurisdiction, Usulutan Department, inflicting one casualty.

(Clandestine) Radio Farabundo Marti in Spanish at 0000 GMT on 18 July broadcasts a two-minute report which says that within the framework of the current guerrilla offensive, the rebels have "inflicted a total of 527 casualties after 10 days of military action. Chalatenango is where the highest number of casualties have been inflicted on the enemy with a total of 175, followed by Usulutan in the east with 106 casualties, San Vicente with 64, and Morazan with 32."

San Salvador EL MUNDO in Spanish on 18 July carries a 200-word report that says that FMLN guerrillas attacked the 1st Infantry Brigade and Artillery Brigade bases, located between San Jose Guayabal and Guazapa. The report states that "the fighting was fierce" and that the rebels used "mortars, RPG-7 rockets, fragmentation grenades, and rifle-fire." The report continues to say that the Armed Forces Press Committee (Coprefa) said that "the 5th Infantry Brigade had found the bodies of two rebels and 17 explosive devices where heavy fighting had gone on in Dos Quebradas, northeast of San Vicente," and that one Belloso Battalion soldier had died in clashes with the rebels in San Jose Guayabal, Cuscatlan.

EL MUNDO on 19 July carries a 375-word report quoting military sources in Apopa, Nejapa, and Aguilares, who say that FMLN "indiscriminate attacks on civilian and military objectives, sabotaging of electric systems and commercial and private transport have increased around San Jose Guayabal and Suchitoto." The report states that "two soldiers were killed, five were wounded, and two are missing as the result of heavy fighting near the Santa Rosa farm in Santa Elena, Usulutan."

Radio Venceremos at 0000 GMT on 19 July broadcasts 10 minutes of battle reports that include a report of clashes between 6th Infantry Brigade soldiers and END in El Nisperal, Santa Elena Jurisdiction on 18 July, resulting in the death of four soldiers, while two soldiers were taken prisoner by the rebels and four M-16 rifles were seized. Another report says that "the Belloso Battalion has suffered six casualties—two killed and four wounded—over the past 24 hours, as a result of heavy fighting against our forces in El Salitre and Los Lirios in San Jose Guayabal, Cuscatlan." The station continues saying that in northern San Miguel Department, "heavy fighting broke out today between END and Arce Battalion forces, in which our forces inflicted 11 casualties on the Arce Battalion." The fighting took place in Canada and San Andres, San Luis de la Reina jurisdiction; and San Gerardo Hill and Los Quebrazos, San Gerardo jurisdiction, where one rebel was killed. The station adds that the Modesto Ramirez Central Front reported that on 18 July "the National Police and 1st Infantry Brigade suffered seven casualties during urban operations carried out by our forces in the capital city." Meanwhile, a report from San Vicente says that "army troops walked into a mine field in Alcanfor Hill, Tecoluca jurisdiction. One soldier was wounded."

(Clandestine) Radio Venceremos in Spanish at 0000 GMT on 20 July broadcasts six minutes of battle reports stating that on 19 July END rebels "attacked a Lempa Battalion unit that was moving within our controlled areas of Cerro Cacahuatito, Morazan Department," during which one army soldier was wounded. "Meanwhile, END guerrillas fought against two Military Detachment 2 units in Cerro El Toro, Cabanas Department." The fighting left two soldiers wounded. The station reports that "heavy fighting took place against a National Police column in Las Piscinas at 0845, and as a result the national guard sustained five casualties," two dead and three wounded. The report says that "END troops seized one G-3 rifle and its equipment."

The rebel station says that "END guerrillas carried out a maneuver" against the army battalion that patrols the 15 September Dam, "inflicting six casualties on the enemy." The reports conclude by saying that "in Morazan Department END rebels fought against units of the Morazan Battalion from Military Detachment 4, inflicting two casualties on the enemy."

Radio Venceremos in Spanish at 0000 GMT on 21 July carries a three-minute report that says "a complete battalion of the 4th Infantry Brigade was chased out of its positions in Dulce Nombre de Maria and along the San Rafael Road, Chalatenango." The station says that the END "inflicted 32 casualties, including several section chiefs." In the maneuver the rebels reportedly seized 16 backpacks and 2 81-mm mortar rounds.

The same clandestine station broadcasts a summary of rebel activities from 8-20 July. The report says that the "END has inflicted a total of 635 casualties on the enemy, including 6 officers, 13 soldiers, and 9 prisoners of war." In regard to materiel seized in the actions, the station reports that "a total of 45 rifles, mostly M-16 rifles, 5 M-60 machine guns, 2 M-79 grenade launchers, 5 M-72 LAW rockets, 5 military transceivers, 56 backpacks," and other military materiel was seized. The report concludes saying that "the END has

regretted the death of 17 companeros in combat, including Captain Dimas and Officer Vladimir."

Guatemala

President Serrano Vows End to Police Abuses

PA2307194791 Guatemala City Teleonce Television in Spanish 0400 GMT 18 Jul 91

[Text] The murder of pastoral leader Enrique Quevedo Quezada coincided with a resolution issued by the Inter-American Human Rights Commission [IAHRC], which calls for the Guatemalan Government to protect people who report that they have been threatened and harassed in El Quiche Department, especially in Tunma. Added to all of this were reports by the Association of University Students to the effect that some of its members are victims of police persecution. These reports were cited to President Jorge Serrano by reporters who attended a news conference he held on the morning of 17 July, minutes before he departed for Mexico to participate in the Ibero-American Summit.

[Begin Serrano recording] Certain irregularities have been reported, so to speak, and I believe that this may give us a clue and enable us to find the criminals.

You may have noticed that my government has not covered up anything. Any information made available to us has been placed at the disposal of the Attorney General's Office, and we have made sure to have our judges issue the necessary arrest warrants to take action against criminals according to the law.

With regard to the problems that emerged in El Quiche Department, I must tell you that El Quiche is a very discordant department. There has been guerrilla activity throughout its entire northern area and this, naturally, affects the entire department, but we have adopted measures. The individual accused of overstepping his authority on several occasions is one patrolman, not all of them. I have withdrawn my arrest warrant because the judge has issued one. We are doing everything possible to capture him.

I am aware of the complaints leveled against the patrolman at the IAHRC and, of course, we are gathering information so that we can present a report. Processes like Guatemala's, like my government's, will not allow any patrolman or government employee to abuse his authority. In the case of Mr. (?Tereval), the arrest warrant has been issued. I am told that he fled to the coastal area, and every time the police attempt to capture him, they are repelled by the local townspeople. To avoid a confrontation between the police and the population we have acted in extremely prudent fashion. We will not stand for abuses such as these, and we will not stop until we capture him and fulfill the judicial order. [end recording].

President Decries Priest's Incitation

PA2407000291 Guatemala City Teleonce Television in Spanish 0400 GMT 18 Jul 91

[Text] Circumstances tending to promote a confrontational climate in the country seemed to have been heightened again today by Catholic priest and Congressional Deputy Andres Giron, who has been accused by the business sector and the government of inciting peasants to invade lands.

A press communique issued on 17 July by the National Institute of Agrarian Reform described the Christian Democratic Father Giron's invitation to all peasants in the country to invade lands as irresponsible.

The press communique stated that the SIMCA [expansion unknown] says it regrets and disapproves of the controversial priest-politician's attitude, and that actions such as these only make it more difficult to execute agrarian reform for the peasants' benefit.

Father Giron, interviewed on 17 July at congress, referred to reactions to his remarks.

[Begin Giron recording] They [not further identified] came to talk with Father Giron but I have no problem with them. I believe that situations will emerge without my doing anything because of the need and hunger that Guatemala is suffering. That is all. I have not invited anyone to invade lands. People who invade lands do so out of need. Unfortunately, the constitution was made for the wealthy, to defend wealthy people's interests. We must try to change it so that it will defend the rights of all Guatemalans, not only one group that has always exploited land in Guatemala. [end recording]

President Serrano criticized Father Giron's remarks concerning the agrarian issue, and ratified his government's full adherence to the country's laws under any circumstances, specifically in cases of territorial conflict.

[Begin Serrano recording] We cannot allow any invasion of private lands because this violates the law and could lead to truly unforseeable consequences. I have said this to Father Giron. I have spoken to him on various occasions, and I hope that as a reasonable man he will understand—if he is inciting land invasions—that this is not the path. The proper path is one of discussion and conversation so that we can find a solution to the problem.

As you know, we have created the Fund for Peace and within the fund's precepts we could find many solutions for the agrarian problem. It all depends on our doing it correctly and within the framework of the law. We will not tolerate any violations of the law. If there is an invasion we will dislodge the perpetrators because I was elected to respect the de jure state, not to allow every Tom, Dick, and Harry in this country to do as he pleases. [end recording]

The president referred specifically to the presence of a group of peasants who for the past several days have stayed at the main plaza trying to exert pressure so that their demand for lands will be heeded.

[Begin Serrano recording] I will not surrender to coercion. Just imagine; people who want land today will stage a demonstration and exert pressure on us and (?we will give them) land. Others will later demand houses and yet others will attempt to invade industrial plants. This cannot be. The law is the law. We have every good intention to attend to our people's most urgent needs but we are not willing to accept pressures that are totally unacceptable. [end recording]

Government, Rebels Resume Negotiations in Mexico

PA2407014391 Guatemala City Teleonce Television in Spanish 0400 GMT 23 Jul 91

[Text] According to the official Guatemalan news agency, the third round of peace negotiations between the Guatemalan Government delegation and rebel representatives was initiated at 1030 this morning in the Queretaro Salon, Hotel Real Minas. On this occasion, a statement was not issued to the press, the parties immediately went on to discuss the democratization issue. The Guatemalan Government delegation was chaired by Manuel Conte, and the rebel representation was chaired by—on this occasion—Jorge Soto, alias Pablo Monsanto.

Members of the National Reconciliation Commission, chaired by Msgr. Rodolfo Quezada Toruno, are participating as mediators. According to a dispatch, the democratization issue is expected to be settled. This issue is considered as essential in order to continue with the agenda agreed upon at the first meeting that was held in Mexico from 24-26 April.

Meanwhile, ENFOPRENSA indicated in a news dispatch datelined 22 July from Queretaro that—without any protocol, and with the conspicuous absence of the UN observer—the government delegation and the rebel representatives have resumed the peace negotiations for this Central American nation in the Hotel Real Minas.

At 1030, and with the news media's access limited to photographic opportunities, conciliator Msgr. Rodolfo Quezada Toruno initiated the meeting, which will focus on democratization and, perhaps, human rights, for five days. None of the parties made any statement but, according to Msgr. Quezada Toruno, the first thing the sides will agree on will be the policy on information to be implemented during the meeting.

The start of the meeting fell behind schedule, because of the delay by UN Observer Francesc Vendrell. Following the exchange of greetings, the reporters covering the event were invited to leave the hall, and a large number of them waited outside. The ENFOPRENSA dispatch added that the participants of this meeting are the same ones who attended the previous rounds of talks, except for General Edgar Augusto Godoy Gaitan of the military delegation. He did not attend the meeting because of other official commitments.

Archbishopric Human Rights Office Issues Report

PA2307172591

[Editorial Report] Guatemala City SIGLO VEINTIUNO in Spanish on 13 July on page 4 publishes a 300-word report on human rights violations in that nation. The article states that according to the archbishop of Guatemala's report, during the first six months of the administration of President Serrano Elias there have been constant reports of human rights violations. The paper quotes the report as stating: "99 missing, 181 illegal executions, 38 cases of threats and intimidation, 37 attacks, and 82 murders [numbers as published]." The article quotes the archbishop's report, which notes: "Despite the speeches of President Jorge Serrano Elias as a candidate and later as president—filled with promises of the respect for human rights—the constant abuse by the authorities, the illegal executions, the disappearances, the threats, and the torture continue at a rate similar to the last six months of the Christian Democratic administration." The archbishop claims: "During the first six months of 1991 there have been 599 human rights violations by unidentified armed men reported."

Guatemala City PRENSA LIBRE in Spanish on 14 July carries a 500-word article on the reports issued by the Center for Human Rights Investigations, Study, and Promotion (CIEPRODH) and the Human Rights Office of the Archbishop of Guatemala, which coincide on human rights violations during the first six months of 1991. The article quotes the same passages from the archbishop's report as in the SIGLO VEINTIUNO item, adding the following detailed description of some violations, among others. "Illegal executions are all those executions carried out by unidentified persons, or in which the victim appears to have been forcefully abducted, tortured, and then executed as the coup de grace." "Forcefully abducted persons are those who have been abducted by armed men, or those who leave their homes and do not return, without explanation." The archbishop's report adds that there is one missing person reported every two days. The item quotes a communique issued by the Archbishop's Office: "The 599 human rights violations during the first six months of this current administration, compared to the 613 during the last six months of the previous administration, reflect a mere 2.29 percent decrease. This does not concur with what was asserted in the President's inaugural speech, nor does it reflect a positive improvement in respect for the life, liberty, and dignity of the Guatemalan people."

To conclude the archbishop's report is quoted as stating: "[We] urge the government to fulfill the promises made in its speeches with regard to respect for human rights and tolerance for the concerns expressed by the international community, the Guatemalan Human Rights Office, and the Archbishop's Office."

Nicaragua

Further on FSLN Congress; Reports Released

Militants 'Purged'

PA2407041991 Managua LA PRENSA in Spanish 22 Jul 91 pp 1, 12

[Report by Felix Navarrete]

[Text] The First FSLN [Sandinist National Liberation Front] Congress ended last night without any substantial change in the Sandinist leadership and amid reservations voiced by national and international observers.

Many interpreted this congress to be the consolidation of the FSLN's vertical power structure [verticalismo] and incorporation of the FNT [National Workers' Front] into the party's organization, which was made official while maintaining antidemocratic characteristics.

In an attempt to distract attention and conceal the unmovable nature of FSLN directorate members, and to give a democratic flavor to the congress, the FSLN skillfully maneuvered secret and individual votes among the delegates to "purge" from the Sandinist Assembly those militants who no longer enjoy its sympathy and make believe that there are changes, possibly cosmetic ones, within the party.

The "purge" of 35 Sandinists from the FSLN's top body, including the wife of Daniel Ortega, Rosario Murillo, and the wife of Jaime Wheelock, Vanessa Castro, was interpreted as a sign that some commanders would have lost their seats had the FSLN established the system of individual and secret ballots to elect directorate members.

Perhaps the congress' surprise was that many top militants who were confident of holding their seats in the Sandinist Assembly were at the last minute not ratified and others were not even nominated.

The "purge" of 35 members of the Sandinist Assembly was considered by certain congress attendants as the "passing of bills" to certain Sandinists who were members of this top body but who did not behave correctly when they were in government.

Others described the "purge" as a small vendetta promoted by directorate leaders against the Sandinists who maintained critical and controversial positions after the electoral defeat, such as Murillo, who was apparently even more disliked after the electoral defeat.

A source from the electoral committee told LA PRENSA that Rosario Murillo, for example, was nominated by a young Sandinist "neo-liberal" sector, which she sponsors, garnering 100 votes, which shows that Murillo is disliked among the Sandinist rank and file and leadership.

Others, among the best known, who were purged include Julio Lopez Campos, FSLN international relations secretary for the past decade and husband of Monica Baltodano; Pedro Hurtado, former secretary of the Sandinist youth; Ramon Cabrales, former commerce secretary and now prosperous lumber businessman; Ricardo Coronel Kautz, deputy minister of MIDINRA [Ministry of Agricultural Development and Agrarian Reform], who appears on the land give-away lists; Agustin Lara, Radio Sandino director and former FSLN delegate in Region 1; Samuel Santos, former Managua mayor; and Carlos Guadamuz, director of Radio Ya and personal friend of Daniel Ortega.

Some of those purged described the elections as "rigged" [amarrada] and added that if the FSLN's aim was to "clean bad militants from its ranks" it would have to "purge" the entire Sandinist Assembly.

Another curious fact was that all FNT leaders were incorporated into the Sandinist Assembly except for Ronaldo Membreno, who had called on party rank and file to reject the candidacies of Sergio Ramirez and Dora Maria Tellez to the Sandinist Directorate because he believes they are desk-type Sandinists.

The incorporation of FNT leaders to the Sandinist Assembly, which according to the statutes will have a determinant influence on the party's decisions, was interpreted as a confirmation of the FSLN's vertical power structure and extremist positions.

The absence of Rafael Solis and Carlos Tunnerman during the three-day congress was significant for certain local observers, who had expected during the congress heated debates that never materialized because nothing "delicate" was discussed.

Jaime Wheelock, in an attempt to cleanse the "Sandinist pinata," pressured the congress attendants into eliminating the requirement that FSLN members should not have been involved in embezzlement from one of the articles of the statute that refers to the requisites to join the party.

Wheelock's pressure was interpreted as the FSLN's refusal to admit that it gave away state assets during the transition period, an action popularly known as pinata.

The congress, from its inauguration, when Tomas Borge was elected president, ratified the vertical nature of the FSLN power structure, which was consolidated last night with the closure of its first congress in 30 years.

Humberto Ortega Speaks

PA2307200991 Managua Radio Sandino in Spanish 0101 GMT 22 Jul 91

[Speech by Sandinist People's Army Commander Humberto Ortega at closing ceremony of the Congress of the Sandinist National Liberation Front, FSLN, at Olof Palme Convention Center in Managua—live]

[Text] Dear Sandinist brothers; special guests of this first FSLN Congress; mother of our dearly beloved brother Carlos Nunez Tellez; brothers:

It was 22 years ago, in 1969, that I had the honor of becoming part of the FSLN National Directorate, when we were amid difficult strife to bring down the Somozist dictatorship. I had this privilege while in jail. I, Carlos Fonseca—the basic pillar of our organization—our brother Oscar Turcio, German Pomares, and other comrades were prisoners in Costa Rican jails at the time. Carlos Fonseca—with whom I lived in a clandestine house in San Jose—and Oscar Turcio, who was a prisoner at that time, organized the FSLN and gave it that name. I was given the opportunity, the trust of Carlos Fonseca and Oscar Turcio, who chose me as a very young man to form part of the revolutionary leadership. At that time, our brothers Julio Buitrago, Casimiro Botelo, and other brothers also joined the leadership. I must now perform another duty at another historic moment. I must now abandon this organization. At that time the challenges, the future was so uncertain because of the sacrifice, the pain, and death that actually, 22 years ago, when I joined the FSLN National Directorate, I never thought we would easily take power and oust Somoza.

We were dreamers and with great spirit and fervor, we really harbored the illusion that this task would be accomplished within a short time. However, this was above all a mechanism to face the difficult reality during those years.

At that time, the revolutionary cause, the struggle for national liberation, the struggle for our oppressed people, for our poor peasants, for the poorest of Nicaragua, and the struggle for the dignity of Nicaragua had other forms of combat and other political and military means. During that time, our revolutionary flags inspired us with zeal, with a great sense of sacrifice to accomplish all of our objectives.

We, the hard-core revolutionaries, have inspired in the heroic struggle of our people since the last century, the struggle of Sandino, the revolutionary struggle of the Latin American people, and at the peak of the victory of the Cuban Revolution, had a different perspective. In the 1960's, when the Sandinist Front was formed and appeared as a vanguard of struggle, we had another way to fight and other values to bring together the revolutionary cause.

Today I must assume other responsibilities. I have had to assume other duties, and even though I personally have to perform duties in the party's directorate, our duty does not stop being one of responsibility and revolutionary as well. [applause] We are now at a very different moment from the moment that I remember when I joined the FSLN National Directorate in 1969." At the present time, profound changes are taking place around the world. These changes will take us into the year 2000 amid a very difficult situation, a situation in which every Nicaraguan, every revolutionary, every responsible citizen must contribute with patriotism and nationalism so that Nicaragua can go into the year 2000 with better conditions than those that now exist. We are all players in this task.

We find ourselves in a complicated world, where all leftist, centrist, and rightist theories, as well as all the models and structures that have been imposed this century, are today subject to redesign. All these theories should today be analyzed to find what is best for our people, and in our case what is best for Nicaragua.

We find ourselves in a world of differing situations, situations like those that took place at the Ibero-American Summit in Mexico—as you participated in this congress, a revolutionary like Fidel Castro sat next to Panamanian President Manuel Endara [as heard]. When Endara, in his speech at the Ibero-American Summit, stated that the Panama Canal Treaty was not going to be renegotiated, Fidel Castro expressed his support for what Endara was saying. This is the world of today. We see Panamanian President Endara—we all know how he became president—and a revolutionary like Fidel Castro discussing, together with other leaders from Latin America, ways to find better answers to the problems of our people.

It was not difficult for me to join the FSLN National Directorate 22 years ago, because I was filled with dreams, romanticism, and ideals, like those of our youths, during those years of struggle. It was not difficult to be willing to make the highest sacrifice for an ideal.

Things are quite different today. To defend those same ideals, some revolutionaries like us have been labelled by others, who struggle for the same cause, as traitors to the revolutionary cause. It is more difficult to be a revolutionary these days amid the present circumstances, because a leading position no longer demands that revolutionaries spill their blood for an ideal. It is truly more difficult to be a revolutionary, when the aforementioned motivations are not present and there are different types of demands. It is difficult to be a revolutionary when there is talk of reaching agreements and reconciliation and being side by side with those with whom we fought in the past. It is difficult to be a revolutionary when there is talk of reaching a consensus with those social sectors that the Marxist manuals we studied at an early age.... [changes thought] We respected very much and abided by these manuals in the past. They are now being subjected to the real dynamics of practice and are being redesigned. Thus, we are forced not to obey those manuals like robots.

We all know that revolutionary brothers, progressive groups, and the socialist bloc took important steps this century to improve the situation of mankind, and they decidedly and without hesitation supported systems that could not resolve the general problems for which they were organized.

Often, your convictions must be firmer to point these things out—both publicly and privately—than they need to be to be willing to give your life, wrapped in the flag, to defend the sovereignty of a fatherland.... [corrects himself] of our assailed fatherland.

We, the Nicaraguan people, must confront the challenge in our fatherland to be able to continue the historic effort for a better and more decent Nicaragua, which was started by other Nicaraguans in the last century. This challenge—as you have graphically shown here—requires that we first attain unity. During their meeting in Mexico, Latin American leaders emphasized that Latin America's integration is vital to face the unjust international order, that Latin American integration is vital to place this region in a better position to face the developed north. We heard that Latin Americans must integrate. However, I cannot understand Latin America's or Central America's integration if first of all there is no unity among Sandinists, in Nicaragua's case. I cannot understand Latin America's integration if we do not first attain the unity of all responsible, patriotic, and nationalist forces here in Nicaragua.

Only united forces are capable of giving the country the stability required to carry out programs or any goal. We cannot confront the economic challenge and we cannot make the country recover from its economic problems if the Nicaraguan people do not integrate and if we do not achieve true national unity. Thus, I do not understand how we will attain integration and unity in Central America or in Latin America.

The Latin American nations are calling for integration to be able to defend themselves. Thus, I believe that the Nicaraguan people are obliged, that revolutionaries and progressive forces are duty bound to persuade all Nicaraguans to firmly unite to confront this historic moment. In Nicaragua's case we cannot talk about unity if, first, we do not understand and accept the concept of national reconciliation with responsibility and a revolutionary attitude. We cannot act with our initial dogmatic principles. We must act creatively—without abandoning our cause—in applying the most precise and effective methods to handle each situation. In this sense, it is vital for Nicaragua's stabilization that it attain national reconciliation soon. This is a priority, not just for revolutionaries, but for all Nicaraguans.

I sincerely want to thank you for your confidence in me as a revolutionary, when you included.... [corrects himself] when you accepted the slate that was presented here, but I must be honest. I wanted to offer these reflections today because I believe that the task ahead for the Nicaraguan people is an extremely important task, not only for Nicaragua's future, but also for the future of the people of Central America and Latin America.

I believe that in the past few months, in which many contradictions have emerged, in which the role of the police in facing a social protest has not been correctly understood, and in which the Sandinists have opposed each other, it is only by means of a deep vision about priority matters for Nicaraguans that we can better harmonize the contradictions for the immediate future.

That is why I wanted to reflect on the past, to remember how in the early days of our struggle we talked about the proletariat's dictatorship. We said that a proletariat class would completely replace the other class. Reality has shown that this cannot be and reality has shown that—in Nicaragua's case—revengeful and reactionary groups cannot try to crush the Sandinists, crush the true elements of democracy, destroy the Army, and destroy the Constitution—because this is impossible. That is why right-wing reactionary and revengeful groups have been isolated.

We cannot possibly ignore the other social, non-Sandinist groups that coexist in this country, either. Therefore, what is the issue at hand? What is our responsibility at this historical phase? We must try to achieve harmony within the framework of the efforts that have been exerted, the national concerted efforts that strive to achieve an in-depth national reconciliation. We must therefore try to achieve the necessary political stability that enables us to progressively overcome the difficult economic, material, and social situation being withstood by our people—particularly the most humble classes and the working class.

Economic recovery is impossible without political stability and, definitely speaking, if we.... [changes thought] We began the struggle because we wanted our people to live better—amid freedom and better, materially speaking. We must understand that our current possibilities for improvement—economically, objectively—and getting a few external resources for Nicaragua, are better because the appropriate conditions exist, and all Nicaraguans must strive to create the necessary internal conditions to achieve this.

The main objectives emerged in 1989, when our country, our fatherland, was in the midst of the unjust war we all know and that we all endured. The main objectives: total peace—soon—and economic recovery.

Total peace is, essentially, being consolidated. All Nicaraguans are making a joint effort so that the recontras do not have a future.

Despite difficulties and the contradictions that economic policies may create, it is possible to have economic recovery within the framework of the national dialogue we all know and of that sincere effort for national harmony to which we are all obliged.

We are certain that the difficulties and contradictions that the new situation could create will never produce a confrontation among us, because, as I have said as Army commander, we will never violate the country's Constitution or its laws. The current government can rest assured that we will never act like those military bullies from the garrisons who staged coups d'etat, as in the past. We have also said these Armed Forces will never

again become the Somozist Guard that dragged peasants out of their huts. [applause]

These Armed Forces will never be like those who send out their tanks to crush students when they protest.

We must struggle in a responsible fashion. There are those who believe that if this government makes significant progress against inflation, in the field of foreign cooperation, and in the economic plan it is bad for the Sandinists because this government, from an elections point of view, would be making points for the future. This is debatable. If this were true, then we would have to be on permanent strike over any issue, with any kind of slogan, in an opportunistic fashion, like the ultraleftist forces, which, taking advantage of the difficulties of the people, are trying to gain strength by making demands that any responsible revolutionary force and any responsible labor union would never make.

If this government does not function well when it deals with some economic goals, then the country would be condemned to a bigger crisis, to more deterioration, and it would be more difficult to reach the revolutionary goals for which we have struggled.

These are issues we have to discuss responsibly. These are issues that are a source of confrontation in the field when we do not understand the work that persons heading institutions such as the police and the Army must carry out.

We must be confident. With our current re-contra situation, there are minority sectors of what was once the Nicaraguan Resistance [RN] who are determined to revive the war to deprive Nicaragua of stability and to hinder the consolidation of our path to peace.

In some cases Sandinist peasants have expressed their legitimate concerns and have sought ways to defend themselves from the aggression to which they have been subjected by some of these groups. Some comrades—former members of the Army, demobilized fighters, members of cooperatives, and Sandinists—have been murdered. They have been taken from their homes and ranches and murdered.

The Army has been pressured by Sandinist forces in the territory who want to act on their own in response to the provocative, vandalistic, and criminal acts by illegitimate forces that operate beyond the framework of the Constitution and the law. We have told these Sandinist forces that they must not act hastily, that they must remain within the framework of the law, that there is an Army here to establish order that will not only defend the Sandinist citizens and the comrades who are attacked by these radical groups, but all Nicaraguans, within the framework of the Constitution and the law.

These are the issues that we should dutifully discuss on a daily basis, instead of giving cause for each individual to act on his own, because that would lead to chaos. Comrades, at this very special moment, which brings back memories of when I joined the FSLN's leadership 22 years ago, I wanted to express these concerns. Upon declining the offer to occupy a position in the FSLN National Directorate, I want to ask each one of you to show the deepest understanding, and the deepest awareness of the current times, so that together—each one fulfilling our specific responsibilities—we can harmonize the aspects that Nicaragua is demanding within the framework of the Constitution and laws, the 27 March Transition Agreement, and the other agreements that have been reached for peace and national stability during the past few months.

I must ask you to be fully aware that only with a lofty sense of brotherhood and a profound sense of duty, without plans or dogma, you must understand, will we achieve our established historic goals within the framework of the general revolutionary cause that has inspired us since the creation of the FSLN.

I am certain that the experience that Nicaragua gained with the people's struggle to improve over the past few years, as we prepare to enter a new century, will significantly help us make the best of the work done by the revolutionaries and socialists who attained power and experimented. That experience will also help us make the best of other economic models, and definitively achieve economic development with social justice, with greater human incentives for the people.

I am fully convinced that Nicaragua will firmly confront this challenge, making the ideals that inspired us a reality for the benefit of our people and for the entire Nicaraguan nation. [applause]

Thank you, very much. [extended applause]

Directorate 'Central Report'

PA2207130391 Managua BARRICADA in Spanish 20 Jul 91 pp 3,42 (Supplement)

["Central Report" of the Sandinist National Liberation Front, FSLN, National Directorate issued in Managua on 19 July]

[Text]

The FSLN's Historical Role

1. The Sandinist People's Revolution [RPS] is part of the historical process that gives continuity to the struggle that led to the Latin American people's independence from the colonialist yoke.

In the 20th century, the Mexican Revolution, 1911; the Cuban Revolution, 1959; and the Nicaraguan Revolution, 1979; were profound, popular, and anti-imperialist movements that established a new political, economic, and social regime with their weapons. They represent the foremost historical expressions of the Latin American people's struggle for genuine independence and democracy.

2. The end products of the three revolutions are all different in character, but they have common elements in their origins and developmental processes:

a) The people's insurgence, which destroyed the archaic and institutional structure of an old, unfair, and oppressive regime, including the dismantling of the Army and repressive organizations.

b) The clash of interests with those of the United States, whose model of domination in Latin America was threatened.

c) A quick structural transformation—once the prevailing relations of production and land ownership system were replaced; the emergence of new social groups; the creation of a new internal juridical order; and a change in international relations.

d) The malevolent reaction of oligarchic, reactionary groups which, once forced out, countered the new revolutionary order through counterrevolutionary wars, with the United States' manifest support.

3. Each one of these three revolutionary processes defined their own model according to their national reality, prevailing historical circumstances, and geopolitical situation.

From Pre-Colonial Times to the Sandinist People's Revolution

A colonial regime was imposed with the Spaniards' invasion 500 years ago. This brought about a new economic, political, social, and religious order. The new unfair and brutal order generated its own traditions, and the Central American nations emerged in 1821.

A new state emerged with the independence, thus culminating the anti-colonialist struggle, but Nicaragua—as an independent republic—continued to suffer under the UK's occupation on the Atlantic Coast, and it fought Yankee expansionism in the National War of 1854-1856, defeating the North American filibusters.

Structural changes that had deep repercussions in the country's political, social, and economic life began only during the last 100 years.

The historical transformation process and the search for the people's national identity was a qualitative leap with the 1893 Liberal Revolution, the last of the liberal revolutions in Central America. It put an end to oligarchic governments known as the 30-Year Regimes.

The Atlantic Coast joined the Nicaraguan state, putting an end to British domination in that part of the national territory. Essential changes were made in the country's economic and agrarian system to replace the rule of the oligarchy and the church. A new political constitution was established in 1897, creating liberal principles and a state organization. A new legislation was created to strengthen the lay state and reorganize agrarian property. The liberal regime sought to achieve a new framework of international relations that surpassed the United States' hegemonic interests; it championed Central American unity. This caused a confrontation with the Northern empire, which launched a new expansionist phase in the region that coincided with Spain's defeat in the 1898 war for possession of Cuba, Puerto Rico, and the Philippines.

In sum, the liberal revolution included structural changes, many of them irreversible, and altered the country's profile. The conservative governments which emerged following the ouster of [former President Jose Santos] Zelaya—who had the military and political support of the United States and the Somozist dictatorship—could not reverse the changes.

Zelaya was deposed by the Yankee government, which occupied the country militarily but not before meeting with the resistance of Nicaraguan patriots, such as Benjamin Zeledon, in 1912.

Sandino

Starting in 1927, Sandino established a national program and waged a popular and anti-imperialist war until the invading troops were expelled in 1932.

The National Sovereignty Defending Army, headed by Sandino, was the bearer of the new national proposal, which finally crystallized in the free Nicaragua proclaimed on 19 July 1979. This was to be the Nicaragua of the future, the new Nicaragua, the Nicaragua of Ruben Dario and Augusto Cesar Sandino.

National sovereignty, agrarian transformation through cooperatives, incorporation of artisans into the national struggle, Latin American unity inspired by Bolivar's ideals, Central American unity, and popular and anti-imperialist struggle are the foundations of the revolutionary thought in Sandino's patriotic exploits.

Sandino's revolutionary thought—"only the workers and peasants will go to the end and only their organized power will give us victory"—is the basis of the popular and anti-imperialist struggle. These are the ideological and guiding elements coherently embodied in the National Sovereignty Defending Army. From this groundwork, Sandino defines a broader proposal, "neither far right nor far left; our motto is a single front," to confront the Yankee invader.

This would be the foundation of the new revolutionary thought synthesized by Sandino's political genius as the value to be defended in the new historical period. This foundation is embodied in Sandinism, in face of the already exhausted and discredited historical liberal and conservative thoughts.

From this stand would emerge the thought and action enriched by the new generations which—following the examples of Diriangen, Yarrince, and Nicarao, fighters for independence; Cleto Ordonez, who rejected aristocracy; the heroes of San Jacinto; Zeledon, Sandino, and

Rigoberto Lopez Perez; and Carlos Fonseca and Santos Lopez—would call for armed struggle through the FSLN in the 1960's.

The FSLN Strives for Power

In the heat of the anti-Somozist and anti-imperialist fighting of the 1960's, the FSLN was gradually organized as a revolutionary detachment made up of dozens of combatants and a National Directorate, which would be in charge of its political and military command. These were the years of guerrilla fighting, "Che" Guevara, Camilo Torres, and Latin America risen in rebellion against injustice and capitalist and imperialist oppression.

The FSLN's fighting strategy required making a political and ideological opening for a revolutionary proposal to overthrow the Somozist dictatorship as the starting point for a deeper change that would lead to socialism.

The FSLN's historical program resumed Sandino's banners of struggle to unite all honest Nicaraguans in the fight against the Somozist dictatorship to defend sovereignty, national independence, and the interests of the majority of the people.

The following guerrilla actions took place: Patuca, Raiti, and Bocay in 1963; Pancasan in 1967; Zinica in 1970; Victorious December in 1974; and the resistance actions of the Pablo Ubeda column, accompanied by popular urban and student actions. Then came the FSLN's internal crisis with the division and reunification process until the final victory was attained on 19 July 1979.

In October 1977 the FSLN launched its first rebel offensive with a new internal and international projection. Fighting spread to the main cities, including Managua. A broad front was opened with the Group of Twelve. An international front to support the Nicaraguan people's struggle, headed by the FSLN, was expanded.

The armed rebellion was stepped up and political activities were intensified to stenghthen local and international alliances, isolate Somoza, and check U.S. intervention attempts.

In January 1978, Somoza murdered Pedro Joaquin Chamorro. The Sandinist offensive was unleashed in February of that same year with the takeover of Granada, Rivas, and the Somozist Guard's camp at El Rosario, as well as the Monimbo insurrection.

The attack on the National Palace and the "boys'" insurrection occurred in 1978. The first offensive at the national level was carried out in September. The Sandinist Unity was signed in March 1979; the fight was stepped up in May; and in June the FSLN National Directorate declared a general strike and final offensive that culminated with the dictatorship's ouster on 19 July 1979.

The proposal for a process toward socialism—based on political pluralism, a mixed economy, and nonalignment—was a new element which emerged during that phase of the struggle. It brought together revolutionaries due to their history and—consequently—their political, economic, and social reality within a Latin American context.

The FSLN's reunification was carried out based on those political proposals and the new mode of struggle. Within the struggle to oust the Somozist dictatorship, the FSLN synthesized:

a) The anti-imperialist ideology inherited from General [Augusto Cesar] Sandino's struggle and program to recover our national sovereignty and a political and social transformation.

b) The Marxist-Leninist ideology.

c) The Third World national liberation movement, which resulted from the anti-imperialist and anti-colonialist struggle.

d) The Christian liberation theology with its option for the poor.

e) The Nicaraguan people's anti-dictatorship and anti-Yankee sentiment, which sees dictatorship as the embodiment of repression and pillaging.

We managed to benefit from the structural collapse of the Somozist dictatorship, which was no longer capable of protecting even the bourgeoisie's interests. We managed to organize the struggle against the Somozist dictatorship in a much more effective way by incorporating the people en masse into the armed insurrection.

The policy of uniting all the anti-Somozist forces guaranteed a national consensus to support the FSLN, thus overcoming all the maneuvers of the most reactionary capitalist groups and the Yankee Government, which advocated, until the very end, a Somozism without Somoza to negate the people's victory.

During the last phase of the insurrection, we managed to receive logistical military support from the Latin American governments of Cuba, Venezuela, Panama, and Costa Rica. This strengthened, in a unique way, a broad international front in which Mexico also played a prominent role. The active solidarity of Jose Figueres, Omar Torrijos, Fidel Castro, Rodrigo Carazo, Carlos Andres Perez, and Jose Lopez Portillo were decisive at that important time in our struggle to achieve victory against the Somozist dictatorship and to neutralize the U.S. leaders' interventionist maneuvers.

We consider equally valuable the solidarity of revolutionaries in El Salvador, Guatemala, Costa Rica, Honduras, Argentina, Chile, Uruguay, Colombia, and Mexico, among other internationalist brothers who—along with the PLO and the DPRK—helped us achieve Nicaragua's liberation. The support of the solidarity networks organized in the United States, Canada,

Europe, Latin America, and other parts of the world was also invaluable in that phase of the struggle.

We also managed to comprise an anti-interventionist front without precedence in Latin American history. Regional political parties and governments, West European parties, and the Socialist International created a vigorous movement of international solidarity that helped neutralize the United States' efforts to prevent the revolutionaries from seizing power.

Thus, the FSLN—with the National Directorate as a vanguard—culminated this phase of the struggle, which gave the Nicaraguan people the opportunity to annihilate the Somozist dictatorship, break the National Guard's backbone, and advance historically to a better position.

The FSLN and the People Defend the Revolution

What We Thought When We Seized Power

Our Ideology and Position in the World

The FSLN's Thesis in the early 1980's emphasized the Sandinist Revolution's triumph at a time that was characterized by the transition from capitalism to socialism as a historical worldwide tendency.

We said that socialism was our cause, and to strengthen the RPS was our best contribution to strengthening the cause of socialism in the world.

In relations with the socialist countries, we emphasized the solidarity attitude of the USSR and Cuba as examples of fraternal and respectful relations that we had to take care of and deepen. To maintain relations with these countries was a matter of principle, and we resisted all the pressures and threats of the U.S. Government that sought to break these ties.

Under these circumstances, the USSR took steps to support the Sandinist revolution, once the dictatorship had been ousted, even contributing with military supplies. In fact, the support of the USSR, Cuba, the GDR, the DPRK, Bulgaria, Algeria, Libya, Vietnam, among other socialist and revolutionary countries, became a vital contribution to the military and economic defense of Nicaragua's revolutionary project in the face of the aggression that was beginning.

However, from the beginning, we were aware of the limitations of the socialist community in offering us all the support that was required for the overall defense of the RPS.

We define international solidarity as a policy of the RPS principles. We understood that we had the historical responsibility to contribute to strengthening the revolutionary struggle of Latin America, particularly in El Salvador and Guatemala, Central America.

We always insisted on emphasizing the strategic need to promote the unity of the revolutionary forces, as a basic element to increasing our revolutionary solidarity.

In those years, marxist thought was gaining new validity in Latin America and in the Third World; it was linked to the anti-imperialist struggle. The revolutionary movements assumed that the socialist model was a feasible alternative for the impoverished countries that were struggling against the forces of capitalism and that armed struggle was an effective way that had been historicaly proven. However, except for the Salvadoran insurgency, the development of the Latin American revolutionary movements were restricted in their development throughout the eighties.

The optimism of the world revolutionary movement also found support in the new influence of the theology of liberation within the Catholic Church. After the Medellin Conference, the identity of thought and action between marxists and Christians materialized.

The Cold War that was confronting the Soviets with the United States was the parting point for the United States to justify its interventionist policy in the countries of the Third World. The main centers of tension at that time were in southern Africa, the Middle East, Southeast Asia, Afghanistan, Poland, and Central America.

We recognize that—as the Santa Fe Document said—with the electoral victory of the Republican Party and the rise to power of the Reagan administration in January 1981, imperialism made the decision to destroy the revolutionary process in Nicaragua in order to recover full control over Central America and strengthen its world credibility as a hegemonic power.

The Yankee government used different means of aggression such as organizing a counterrevolutionary army; mining the ports; imposing an economic and commercial blockade; establishing mercenary bases in Honduras, Costa Rica, and El Salvador; establishing military bases in Honduras; and posing a permament threat of direct military intervention. These were, among others, the actions that the Reagan administration used for more than 10 years against the people of Nicaragua.

On the Role of the Party

We defined the FSLN as the vanguard detachment that applies the Marxist-Leninist principles in a creative manner.

We pointed out that the FSLN militants should be closely linked to the tasks of national defense. From the beginning, we emphasized that the party unity and internal democracy should be improved in order to strengthen the FSLN.

A goal was set to provide more political and moral force to the party structures and functions, to the Sandinist Assembly, to the Committees of the Departmental Directorate, and to the ample discussion of the internal

and national problems. It was emphasized from the beginning that criticism and self-criticism were necessary to strengthen the Sandinist discipline.

In order to advance in the organizational political objectives, we should promote a bold policy of growth to attract first, our ranks, then the city and farm workers and the impoverished peasants.

We stated that the RPS had a democratic, popular, and anti-imperialist characteristic in this phase, and in its development it should be oriented toward a noncapitalist path and toward the construction of a socialist society.

Economic Matters

We intended to assume direct and indirect control over the production of wealth, thereby promoting the transformation of social relations and promoting the role and participation of workers.

With the control of banks, foreign trade, and planning mechanisms, we counted with the most important instruments in the country's economic system.

We drafted a strategy—based on the industrialization of our natural resources—to overcome the traditional role of a raw material exporting country. We decided to modernize our agriculture so that the reactivation of rural areas could enable us to promote the industrialization of our basic resources.

We deemed it necessary to strengthen our political independence by reducing our economic dependence on the big capitalist countries, mainly the United States.

It was important to take the appropriate steps to reorient our imports and exports, especially toward the community of socialist countries. It would be accompanied by a program of technological transformation that would allow us to insert ourselves in the socialist field.

Religion

Many fighters and collaborators of the FSLN in the struggle against the Somoza dictatorship found in Christianity the source of inspiration to join the struggle. Priests such as Gaspar Garcia Laviana gave their blood in the guerrilla struggle, and many preachers of the word were murdered by Somoza's guards in the country's mountains. Both Catholic Christians and Evangelical Christians actively participated in the struggle against the Somoza dictatorship.

We also have to mention the laymen and clergymen, who without being active members of the FSLN preached the Gospel in keeping with the libertarian demands of our people. Catholic bishops, on several occasions, condemned the crimes and abuses of the dictatorship.

In addition, Monsignor Miguel Obando y Bravo played an oustanding role as mediator. He contributed to the good outcome of critical situations such as the time an FSLN command occupied the home of Jose Maria Castillo, a Somoza minister, during the occupation of the National Palace. He also made valuable contributions when, during the collapse of the dictatorship, the FSLN Directorate, by means of Commander Humberto Ortega, negotiated the surrender of Somoza's guards.

With the triumph of the revolution, the participation of Christians in the revolutionary struggle in Nicaragua had a strategic importance for the incorporation of the Christian masses in the people's processes in Latin America and the Third World. The coordination with groups, centers, and churches was established to expand the front for the people's struggle. FSLN members were always told to respect religion and churches as well as the traditions of our people.

Elections

We believed that organizing elections did not sacrifice the principle of moving toward socialism. On the contrary, the commitment to the elections ratified the boldness, imagination, and revolutionary nature of the FSLN. It was a new guerrilla contribution to the political order. By doing this, we strengthened the revolutionary goals and weakened the positions of our internal and external enemies.

Reality

The War, the Problems, the Limitations, and the Mistakes

The concepts, guidelines, and duties drafted by the FSLN in the early eighties marked a new course in the history of Nicaragua.

Imperialism stepped up its aggression and interventionist policies to destroy the RPS. The weapons and the masses were decisive factors in the defense of the revolution, which depended on the Nicaraguan peoples' ability to mobilize and organize, and on their conscience and sacrifices.

Subsequently, the SMP [Patriotic Military Service], as a higher system of state and popular organiztion, was fundamental in making the imperialist plans to eliminate the Sandinists through a military victory fail.

Only in that manner can one understand the capacity the revolution had for resisting the most brutal and prolonged military aggression that the Yankees have waged against any Latin American government and that it did not fall in the face of such an aggression.

The people of Nicaragua together with the FSLN and the revolutionary government at the head resisted and defeated the imperialist attacks, but at a high social, economic, and political cost.

The policy of aggression against Nicaragua, which was waged by subsequent U.S. administrations, was the main factor in the erosion and wearing out of our revolutionary project. As of 1981, the Sandinist model was

deeply affected by the war of aggression, which led to the militarization of the economy and society. The FSLN fell into practices removed from the democratic commitment of Sandinists, who had accentuated their upright tendencies.

On the other hand, the profound economic and social crisis of the socialist countries affected the capacity of Sandinism to counter the various effects of the war.

The external factors were added on to other internal factors. As it was pointed out in the document of El Crucero, we must overcome these deficiencies in leading and materializing our historical project.

In the Political Arena

The process of constructing democracy in Nicaragua began on 19 July 1979. The Nicaraguan people achieved their sovereignty, independence, and self-determination as of that date.

The constitution of the council of state gathered for the first time in the history of a parliamentary system in Nicaragua representatives from all sectors of the nation.

Political pluralism is expressed today in the existence of the 24 political parties of varying ideological trends, which, in their respective moments, have participated in the past 11 years in the two electoral processes organized by the revolution and characterized by being the most free, honest, and democratic ones in the history of Nicaragua.

The full enjoyment of the right to free organization and political participation means that hundreds of thousands of youths, women, students, and professionals, in other words, all sectors can organize, including labor unions.

Freedom of expression is demonstrated by the number of radio stations, dailies, weeklies of the most varied political-ideological trends, and the publication of magazines and books, which permits groups that had been left out to have access to information and to the massive communication media, in spite of the restrictive measures imposed in some extreme cases when the country was confronting Yankee aggression.

The revolution created a new institutional legal order based on the 1987 political constitution. Today the constitution is a new source of law and it ensures the independence of powers and the guarantees of the democratic operation of society. In this manner, the judicial, legislative, executive and electoral branches are truly representative of the nation's interests.

The constitution affirms the sovereignty and full independence of the nation; the social and individual rights, the respect for dignity and security of the citizens; and it reaffirms the conquests as well as the social and economic achievements of the revolution.

At this stage, the front of the anti-Somozist struggle that we waged came to a final stage when we formed the government junta and later when we established the council of state.

The contradictions were heightened when the government program was put into effect. We struggled for its full implementation and they fought to interfere with it. This finally led the representatives of the bourgeoisie to leave the council of state and the government, and in a short period of time, they joined the project of the imperialist struggle against the RPS.

In spite of these contradictions, the Sandinist revolution proclaimed and carried out a government program that from the very beginning had three basic budgets [word as published]: Political pluralism, mixed economy, and international non-alignment.

However, the application of the revolutionary project also generated social contradictions. In the social transformations that were necessary and just for the revolution, we did not always take into consideration the traditionalist characteristics of Nicaraguan society.

On the other hand, the Sandinist front pointed out in its analysis of the eighties that the revolution admitted the political presence of the right in respect of the laws within the framework of the revolutionary institutionality.

As the war increased, but also as a product of the characteristic styles of the single parties, the political and economic space granted to the bourgeoisie and the high middle class was limited, although these spaces were never totally closed.

On Economic and Social Aspects

The revolution inherited a backward and dependent economy based on a concentration of wealth that excluded the majority. In addition, during the war against Somozism, numerous productive centers were destroyed and the economic infrastructure suffered considerable damage. Our first task in the long-term struggle against underdevelopment, backwardness, and unjust structures was reconstructing the country and increasing production.

With the enthusiastic support of our people and international financial aid, during the first three years we achieved progressive levels of recovery and, at the same time, we implemented efforts with great socioeconomic impact, such as the literacy campaign, the broadening of health services, agrarian reform, the expansion of energy and water service facilities, and roads.

In 1982, however, aggression plans began to be felt at the border areas, and the state had to invest funds in the defense of the country. To the national challenges we were facing in the economic and social field, we then had to add national defense.

Under those conditions, we defined and began implementing the national reconstruction plan, which emphasized the state's role in economic guidelines, direct control over production and commerce, investment efforts in the state and cooperative sector, and reorientation of our economy toward cooperation with socialist countries.

The war began taking precedence over our economic efforts. The aggression was aimed at undermining and destabilizing our economy. The mining of ports, sabotaging oil supply channels, and destroying productive centers and economic infrastructures were the prelude of what later on ended up, in a generalized war, in a commercial embargo and financial blockade.

By 1984-85, in defending ourselves from an escalating aggression, it was necessary to introduce important adjustments to the economic and political guidelines.

a) In view of the need to face U.S. aggression, it was decided to correct inconsistencies in the policy of internal alliances and to guarantee and strengthen the scope within the various property sectors. The principle of a mixed economy was reinforced and upgraded to a constitutional principle.

b) We worked on opening new opportunities for foreign trade and cooperation with Nordic countries, the European Community, Arab contries, Iran, India, and the PRC.

c) The emphasis on favoring the growth of state economy, which affected large and even small and medium producers, led to the policy of freezing the expropriation of land and establishing a new treatment in order to overcome the climate of uncertainty and distrust.

d) The delivery of land, previously circumscribed basically around the cooperative model, was broadly geared toward those who demanded land individually.

e) The policy of state control over prices and grain storage, established to counter speculation, was lifted in the war zones, where it had caused a great wave of discontent among peasants.

f) The policy of rationing staple products was made more flexible along with state distribution channels, which had been imposed to protect urban consumers.

The policies that were undergoing adjustments at the time had been developed for the purpose of protecting the poorest sectors and confronting the effects of the aggression from a better vantage point. There were, however, negative effects among broad sectors in the countryside and city who resented the changes and considered them to be abusive meddling in their traditional economic activities or long standing customs; this was the case with the peasantry.

Despite the corrective measures, factors such as growing wear and tear and continued aggression gradually imposed on the revolution the framework of a war economy, with all of its inherent restrictions and tensions.

The considerable investment efforts that had been made to broaden the productive sector and the economic and social infrastructure began to break down because resources had to be set aside for defense.

We were forced to implement monetary programs and economic adjustments to fight hyperinflation. We developed policies to encourage production and a greater flexibility in trade. We had to drastically cut civilian expenditures from the budget, which adversely effected employment as well as health and education programs. It was necessary to restrict credit and eliminate subsidies, which increased urban and rural unemployment and effected the standard of living for many segments of the population.

We were unable to neutralize one of the main reasons for the economic crisis, the war. We went from an economy that was intended to rebuild the country and to initiate the struggle against backwardness for the benefit of the poor people to a war economy.

Despite the devastating effects produced by the war, the restrictions imposed by the blockade, as well as our own limitations and mistakes, the revolution made progress.

In terms of economic growth, adverse results were achieved. It is evident, however, that economic transformations and a redistribution of wealth benefited the people and built a real base for democracy.

Far beyond the mere material development of the people, we also promoted their human development:

—Property, a basis for prosperity, is better distributed and development and modernization works have been left behind as part of the people's heritage.

—The brutal illiteracy, which we were suffering from, was reduced to 11 percent and school coverage was expanded.

—We reduced the infant mortality rate and eradicated diseases that adversely effected the population, especially children.

—The life expectancy of the Nicaraguan people increased from 56 to 65 years.

—Art, culture, and sports were promoted in a national effort that provided large segments of the population in the city and rural areas access to activities that had historically been denied to them.

Agrarian Reform and Peasants

At the triumph of the revolution, 1,200 landlords owned half of the land, while 52,000 peasants survived on 3 percent of the arable lands. Approximately 100,000 landless peasant families sought refuge in temporary labor, partnerships, hired labor situations, and other

forms of servile work. The countryside was marked by exploitation, backwardness, and low productivity.

Inspired by our historic program and within the framework of national reconstruction, with the implementation of Decrees 3 and 38 and the agrarian reform law, Somoza's lands and those of other large landowners were expropriated. Four million manzanas, which represented half of the country's cultivated lands, were placed at the disposal of the rural sector.

With the rupture of the landowners' influence over the countryside, the agrarian reform incorporated new social and productive forces. The sector made up of agro-industrial conglomerates, cooperatives, and small producers who benefited from the agrarian reform came to own 50.2 percent of all the cultivated lands (APP [People's Ownership Sector] 13 percent, cooperatives 12 percent, and small producers 22 percent.)

From the point of view of the social and productive force, in 1990 these new sectors represented:

The associative movement, made up of by 3,151 cooperatives and 71,870 members.

Individual small producers, who benefited from the agrarian reform, approximately 100,000 members.

The APP—which, until 1990, had gathered over 65,000 organized workers in 1,200 production units—developed into 12 branches devoted to farming, cattle breeding, agroindustry, and services.

Social progress and improved production were reported in these sectors, which, in 1990, represented 63 percent of our total export production and 89 percent of the domestic consumption production.

A considerable amount of the party's human resources were for years devoted to supporting this task, given its strategic importance. Nevertheless, there were mistakes, some of which were unexpectedly corrected.

Outstanding because of their significance were:

—The initial trend toward distributing lands under predominantly state and cooperative formats. Although this was included in the general outlines of our historic program, which was later ratified by the second assembly in 1982, it was politically necessary to respond to the demands of peasants, who traditionally have preferred individual property.

—The distribution of resources and investments favored the government sector. Although there was credit backing and technical assistance, a consistent economic project was not implemented for the sector that benefited from the lands.

—The restrictions, with regard to property rights, on the property titles granted during the first years generated distrust.

— Some middle-size landowners of peasant origin and efficient landowners became victims of the expropriation process.

—One of the Agrarian Reform's main goals was to do away with the pre-capitalists' exploitation of the peasant community. Nevertheless, while the large landowners were being eliminated, the APP did not have the ability to establish new relationships with the producers.

—Another one of our errors—one of the principal errors—was the authoritarian style that characterized our political conduct as well as our administration. The peasant community resented this. The pressing need to organize ourselves politically, economically, and socially violated the traditional surroundings of the peasant family, resulting in adversity and distrust toward the revolution.

The dynamics and the consolidation of the Nicaraguan agricultural transformation process—undertaken by the FSLN—were influenced by the following factors:

—The U.S. Government's agression.

—The war's principal theater was located on the vast agrarian lands in the northern and eastern regions of the country where Sandinism had weak political ties and where the revolution's economic and social programs were just starting to be developed.

—Production began to decrease because of the substantial and systematic destruction of production centers, economic infrastructure, abuses, and forced conscription that triggered the counterrevolution against the cooperatives and the peasant population.

—Between 1983 and 1986 there were almost 250,000 displaced persons; there were over 60,000 war victims, among them, 30,000 dead.

—The revolution's sudden appearance gave birth to nonconformity as well as fear in the countryside. To this phenomena, one must add the attitude of the expropriated Somozists, the idle landowners—all hit by the Agrarian Reform—who became natural allies of the aggression [U.S.]. Many farmers, industrial companies, as well as businessmen were engaged in activities of de-capitalization and contraband; some even abandoned their companies. The revolution responded to these activities by expropriation and intervention, which in turn led to a rise in the differences.

—The adoption of economic policies to control the trade and farm prices created tension among the peasant community, which, together with the SMP and other factors, engrossed the contras' ranks. The deterioration in the exchange of industrial products that was affecting the peasants, as well as the reduction between 1983 and 1984 in the peasants' staples supply resulted in their rebellion.

We can summarize that as of 1979, the revolution began to carry out its agrarian program and build a political leadership in the rural areas. This goal was particularly affected by the war that began in mid-1981 in the rural areas, preventing us from fully complying with the goals we had set for the rural areas.

The agrarian reform of Nicaragua shook the bases on which the system of social injustice was built in the rural areas. There was a radical transformation in the system of land tenure that democratized agrarian property. The system of large landholders was eliminated and new social forces were created in the rural areas that recognized the social claims of the farmers.

From the beginining of this battle for agrarian transformation, thousands of political, professional, and technical workers were deployed to all points of the country to comply with this historic transformation. Many of them were teaching adults, and others were grassroots technicians, cadres of the FSLN, and workers. They shed their blood to carry out the basic transformations of the revolution.

Women, Family, and Youth

Women

The RPS opened spaces that had never been available to Nicaraguan women to advance in the struggle for their specific demands and full equality. This was the result of the democratic nature of the revolution as a result of the quantitive and qualitative participation of women in the Sandinist revolutionary struggle.

Women achieved important juridical, political, and social goals during the revolutionary government. The women's large-scale and organized participation occurred in every sector of the country's social life. Also, women participated in labor activities that had traditionally been forbidden, opportunities to have permanent jobs increased, and the services and attention to minors multiplied. Women became increasingly aware of their subordinate role and the need to struggle against it.

Laws were approved, including the Father, Mother, and Children's Relationship Law and the Unilateral Divorce Law—which guaranteed, for the first time, juridical equality to women in these areas. The constitution of the Republic established absolutely equal rights for men and women.

The FSLN established a position that fully supported the women's struggle for their emancipation through a document issued on 8 March 1987—FSLN and the Woman. We must recognize, however, that aside from the moral and political effects of the declaration, we were not able—for different reasons, including ideological reasons—to articulate, as a party, a specific program that was consistent with what we outlined in the document. Objective goals were achieved in organizational, juridical, and cultural terms for the women's emancipation but we lacked an organization that was more systematic and consistent with the specific reality of their problems and achievements, which would have allowed greater progress.

One of the revolution's most important achievements has been the development and strengthening of women's movements, which struggle to achieve equal rights for women and their emancipation.

Despite these important achievements, a lot has yet to be done to eliminate the subordinate situation and enormous disadvantages that women suffer in the Nicaraguan society. It will be necessary to take into consideration the new situation, after 25 April 1990, when many of these achievements began to change—because the government has no policies that advocate women's liberation, only those that sponsor their submission.

The Family

The family, as a basic social nucleus, was also shaken by the revolutionary changes. First, the enemies of the revolution depicted Sandinism as an element that disintegrated the family nucleus. Second, we failed to assess the impact that the political, economic, and cultural changes, and the effects of the war, would have on this nucleus.

We failed to carry out actions and to implement policies that would allow us to counter the enemy's campaigns and the objective contradictions that appeared within the family nucleus.

The Youth

The Sandinist People's evolution was the offspring of Nicaraguan youths' rebellion, audacity, and generosity. Youth was the overall characteristic among the FSLN rank and file at the time of the revolution's triumph.

Youths and teenagers carried out one of the most beautiful tasks ever achieved by the revolution—the National Literacy Crusade—by traveling throughout the country to "turn darkness into light."

Most of the people who worked as full-time Sandinists to carry out the revolution's tasks in remote areas of the country were youths. They accomplished their mission by giving up their personal goals and on many occasions by sacrificing their lives.

Youths mobilized and armed themselves to defend the people's achievements against a counterrevolutionary aggression. They paid the highest cost in terms of their lives and becoming physically impaired in an extraordinary display of courage and patriotism that we must never forget.

The 19 July Sandinist Youth led juvenile contingents in the struggle, assigning its best cadres to the military defense, literacy, and production tasks.

The revolution created innumerable opportunities for personal and social fulfillment that gave meaning to the youth's life. The war, however, precluded many of those possibilities and made sacrifice an unavoidable option for our youth.

Despite the aggression and material limitations, the youths—above all, those with the most humble backgrounds—were given the opportunity, for the first time in their lives, to receive scholarships both here and abroad for their technical, scientific, and professional betterment. They were also given opportunities in the sports and culture sectors.

The youth also experienced tension, confusion, and evolution on an individual basis; and this was not always creatively incorporated into the efforts exerted by the organized masses.

We are faced with the challenge of developing creative formats in our organizational, ideological, and social work, which will allow us to massively incorporate today's youth in the defense and promotion of the values, aspirations, and struggles waged by the Sandinists for the fatherland's happiness and future.

Religion

The Sandinist Peoples Revolution was marked by the massive participation of Christians in the revolutionary process. Despite this phenomenon, there were strong discrepancies with the Catholic Church hierarchy regarding such sensitive issues as priests holding government positions, the patriotic military service law, and counterrevolutionary activities. In the midst of these contradictions came Pope John Paul II's controversial visit to Nicaragua in March 1983.

These tensions were most obvious when Bishop Vega was expelled and the residencies of approximately 10 foreign priests were suspended while, on the other hand, the Catholic hierarchy was removing and transfering to other countries the dozens of priests and clergymen who had supported the revolutionary process.

On a smaller scale, there were also problems with sectors of the evangelical church, but this did not prevent Catholics and Christians from the many evangelical church denominations from participating actively in the revolution's tasks.

We must also underscore that, despite profound discrepancies, there was total agreement between the Sandinist government, Catholic hierarchy, and evangelical church leaders when an effort was made to achieve peace. Under those circumstances the Sandinist government invited Cardinal Obando and Reverend Gustavo Parajon to join the National Reconciliation Commission.

Throughout the pacification process, the Sapoa negotiations, and other efforts right up to the Nicaraguan Resistance's total disarmament, the church agreed with the FSLN's and Nicaraguan people's peace efforts.

We Sandinists reaffirm our experience that Christians, supported by their faith, know how to respond to the demands made by the people and history. The FSLN must continue promoting respect for religious beliefs, practices, and traditions within our organization and the conglomerate of Nicaraguan society.

The FSLN agrees with the socialist proposal outlined in the pastoral letter issued by the bishops of Nicaragua in November 1979, which clearly supports a socialist plan that would guarantee the common destiny of the country's properties and resources, allowing workers to receive a share of the product of their work, and where power exercised from the perspective of the majorities would seek a true transfer of power to the popular clases. Socialism would lead to cultural processes that would arouse our masses' dignity and give them the courage to assume responsibilities and demand their rights.

The Atlantic Coast

Since the eighties, the FSLN stated that the integration of the Atlantic and Pacific would be possible only by developing economic, political, and social programs, and by promoting development centers. However, the political and organizational plans often mechanically transplanted from the Pacific to the Atlantic were not welcomed by large coastal sectors.

There was a mutual lack of understanding, the result of centuries of separation, and there were episodes that showed disrespect for the ethnic groups' idiosyncracies and cultural realities. All of this was exploited by imperialism and it led many Miskitos to take up arms and to accept the training offered by the counterrevolution.

This entire process finally led to a suitable answer to the need to unify the Atlantic and the Pacific: the Autonomy Law, which has become an international example of how to handle ethnic particularities and is a basic achievement for Atlantic coast residents.

A lack of knowledge about the Atlantic coast Indians' realities and the mistakes we attempted to resolve with a paternalistic policy, gave rise to an acute political crisis in that region. Such palpable answers as dialogue and autonomy were correct; they dismantled the military plan, but did not fundamentally modify the coastal resident's attitude toward our government.

The Armed Forces

New popular, patriotic, and revolutionary Armed Forces were created to guarantee the people's rights. A new concept of an Armed Forces was instituted, with a specialized EPS to defend the country's sovereignty and national integrity; the Interior Ministry, police, and other organizations to ensure internal order and the country's security. A new relationship was established—people, Army, and unity—an expression of democracy in the nation's defense doctrine. This permitted one of the main achievements during the past years: preventing a military victory for the counterrevolutionary aggression.

We must underscore the people's massive participation in the revolution's armed defense. Youths, peasants from cooperatives in the war zones, women, laborers, artisans, and people from all sectors of Nicaraguan society participated.

During the war years, serious abuses and violations were perpetrated in the countryside and the Atlantic coast by members of the EPS and the Interior Ministry (Mint), as well as by government employees and FSLN leaders.

Tensions involving large sectors of the peasantry were heightened. Sanctions and other corrective measures were meted out, but these efforts could not reverse the negative consequences. Massive recruitments for military service, added to the painful realities of war, prompted rejection from large sectors of the population and made recruitment a sore point against the revolution in the countryside as well as in poor neighborhoods.

Despite these costs, the Army, police, and security bodies became the new instruments of revolutionary power that guaranteed the revolution's defense from military aggression and the many conspiratorial activities organized by the Yankee government.

We must highlight the party's role in national emergency situations, in cases of natural phenomena such as Hurricane Juana, when the unity of the people, Armed Forces, FSLN, and government institutions was a success in protecting against the further loss of lives.

The Party

From a party formed by a few dozen guerrillas, we created a party that is represented nationwide, whose members can be found throughout the country and in every people's organization; they are leaders in mass organization and the Armed Forces and were at the head of state institutions.

We now have more than 100,000 members through whom we have promoted the people's organization in many formats and organizations of their own. At the national level we are a strong and organized party without which stability and democratic consolidation would be inconceivable. Internationally we are known, admired, and respected for our struggle for sovereignty and the revolution.

The war and the economic aggression demanded of the party and the government an almost military structure and discipline; in other words, an upright position. Added to this were the traits inherent in the FSLN, which had developed as a highly centralized clandestine organization to efficiently wage the armed struggle against the Somozist dictatorship. The FSLN organized itself and arranged its forces for the people's mobilization, in view of its huge social transformation tasks and to defend revolutionary power. Our goal for many years—while we fought or neutralized our enemies—was more than a search for consensus; we sought to consolidate the revolution's social foundations.

The FSLN acted as a part and extension of the revolutionary state, to defend and support its actions. The open discussion process, especially after the electoral defeat, has allowed the failures and mistakes that have weakened our image and our political effort to come to light through a broad process of self-criticism, as stated in the El Crucero Document.

Despite the fact that some of our internal problems have objective roots, we must subject ourselves to criticism as a necessary condition to erradicate them and, furthermore, because in many cases they were exacerbated by personal or collective attitudes and styles. The National Directorate, as the FSLN's top leadership organization, assumes the main responsibility for not having adequately corrected these attitudes and, in some cases, of having reinforced them.

Our party should give up authoritarianism, which tends to reduce or annul the rank and file's initiative and creativity. The most negative phenomena that we must shed are, among others:

a) Authoritarianism.

b) The lack of sensibility toward the rank and file's proposals and problems.

c) The silencing of criticism.

d) The National Directorate's bureaucratic styles and the imposition of leaders and organization schemes.

Our ability to communicate with important sectors of our population weakened with the years, although many Sandinist leaders maintained close contacts with large groups of people. Regardless of the structural causes, the problem worsened with:

a) Sectarian political behavior at every level of the FSLN and in most of the mass organizations.

b) The lack of political ties with non-organized sectors of the population.

c) Leadership posts in the territories often assigned for long periods of time to comrades who were not natives of the area and, therefore, had no natural ties with the population.

d) An excessive professionalization of party structures.

e) The demands to put the rank and file—rather than comrades with administrative knowledge—in charge of handling the party.

f) Political neglect concerning Sandinist groups like the fighters and historical collaborators.

The following phenomena and individual behaviors were mentioned in the El Crucero document as affecting the Sandinist cadres' and activists' moral authority and exemplary role:

a) Some of our comrades led lifestyles that contrasted with the difficult conditions most of our population had to face.

b) There were people who had no prestige or who had been accused of corruption who, for various reasons, were kept in their posts or transferred to equivalent positions or even given higher grade posts.

c) Arrogant attitudes and abuse of power by Sandinists with civilian and military responsibilities, or simple rank-and-file activists.

Referring to the mass organizations, in the 1980's thesis we stated our concern about the organizations' loss of representation and the lack of initiative in our fronts. Efforts were made to overcome the situation by including new methods that gave the rank and file a greater participation. Nevertheless, during the El Crucero meeting it was recognized that, in fact, the mass organizations had little opportunity to achieve development.

At the International Level

We defeated the policy of political, economic, and military strangulation, resisting with the people's heroism and waging important battles at international organizations like the United Nations, the Nonaligned Movement, the OAS, the International Court of Justice at The Hague, GATT, the EC, the Socialist Community, and Socialist International—where the Nicaraguan people raised their voice to protest against the Yankee aggression.

The international solidarity of political groups, labor unions, social and religious groups, and ecology and peace movements was decisive during this phase. From all over the world they joined the Nicaraguan people's heroic struggle. Internationalist brothers were assassinated and mutilated, joining the ranks of Nicaraguan martyrs who defended the revolution.

The people became aware and proud of Nicaragua's independence, sovereignty, and self-determination. For the first time in history we opened the country to international relations that, taking into consideration the principles of non-alignment, once again allowed us to become part of the international community. Simultaneously, we defended the country from the threat of a direct intervention by U.S. troops.

In this struggle we managed to have international justice prevail in a historical ruling, when the International Court of Justice condemned the U.S. Government for its acts of terrorism against Nicaragua.

We rescued and broadened the Sandinist concept of international solidarity until it became a convergence of interests and actions among nations. We extended our solidarity to revolutionary movements even beyond our own objective possibilities. This created critical tension with the U.S. Government, particularly during the 1982 and 1989 FMLN [Farabundo Marti National Liberation Front] guerrilla offensives in El Salvador.

In response to the regional counterrevolutionary bloc that was the base of operations for the mercenary forces and U.S. troops who were threatening Nicaragua, we developed active solidarity at the Central American level.

Meanwhile, in the United States' eagerness to drown the revolution by any means available, it promoted a global policy aimed at denying us our traditional flow of economic aid. Japan and the UK did not even initiate aid programs for the revolution. Governments such as the FRG suspended all aid; Nicaragua's access to IMF, World Bank, and IDB loans were blocked; and the United States decreed a trade embargo in 1985.

We overestimated the socialist bloc's ability to resist the U.S. global offensive and to continue representing an alternative for entry into the international economy.

Development plans that contemplated commercial, financial, and technological integration with the socialist bloc had to be gradually adjusted to make more room for internal and international capitalist forces, but also because the flow of support from those countries had been waning due to their own internal problems.

By that year [1985], there were early signs that the socialist countries' support could not be maintained indefinitely, nor could it be considered unlimited. The international cooperation of certain socialist countries, which was essential to the functioning of our economy during the most difficult period of the war, underwent a sharp decline when the East Europe regimes changed one after the other.

We promoted a negotiating process at the Central American level with France and Mexico's support, which broadened in time to include the support of the Contadora Group and the EC.

Politically, U.S. leaders systematically sabotaged the Contadora negotiating process. Due to the Americans' stubbornness, efforts to find a bilateral arrangement at the Manzanillo talks also failed.

Nevertheless, in August 1987, against the Yankees' will, but due to the unquestionable reality of the revolution, which had not been defeated by the imperialists' terrorist policies, all of the Central American governments signed the Esquipulas II agreements for peace, democracy, and economic and social development, which constituted a great historic achievement for the Central American people.

The Esquipulas agreements were signed against the American leaders' will and they obligated all of the Central American governments to struggle for peace, democracy, economic and social development, and respect for human rights.

The Strategy for Peace

The electoral process was predetermined by the constitution of 1987, when we decided to disarm the contrarevolutionary forces by combining fighting with the cease-fire negotiations. Thus, we were trying to promote elections in order to trade the war by votes.

To accomplish this, we decided to isolate the warmongering policy of the United States and create adequate conditions to reach a fair agreement with that government. In keeping with this, we decided to trade the armed conflict for the electoral struggle by holding the the elections ahead of time.

As part of this same effort, we launched the general reorganization of the economy, starting with the Demonetization Plan and the "Operation Heroes and Martyrs of Quilali." We tried to attract all sectors into a policy of patriotic unity for peace and the defense of the national economy.

The aforementioned efforts were projected until May of 1989 in the Sandino to Sandino Plan [Plan de Sandino a Sandino], in which we expressed that the elections would take place under adverse conditions and amid great tensions. We recognized that the elections would take place in a political and military juncture, in which the possibility of detente in the contradiction revolution-imperialism was not fully appreciated; and in a situation in which military defense continued to be the top priority of Sandinism.

At that time, we recognized that, despite the efforts of the Revolution to reach a gradual solution with the United States, the most reactionary sectors of the Yankee government were opposed to it. These sectors even refused to recognize the legitimacy of the Revolution and the ongoing electoral process.

Although at that time the conterrevolutionary forces were strategically defeated from a military standpoint, the stubborn attitude of the U.S. Government made the situation more difficult. This became evident after the increase in the infiltration of military forces from Honduras, in addition to the explosive situation that prevailed during those months in Panama and El Salvador.

The complex situation demanded greater effort to achieve our objective of burying the U.S. warmongering option once and for all and to find a diplomatic solution within the framework of the Esquipulas and Costa del Sol Agreements.

Military and diplomatic efforts had to be accompanied by dramatic actions in the economic field to curb hyperinflation.

Finally, to complete stabilization and the strengthening of revolutionary power, we noted the importance of carrying forward the electoral process and ensuring the FSLN's victory in the 25 February 1990 elections.

In practice, not all the measures outlined were fully compatible—the most necessary military and economic measures were adopted to guarantee the revolution's survival. This was achieved, but often those actions had a negative electoral impact of unpredictable dimensions.

To understand and evaluate the electoral results, it is necessary to take into account the overall situation and the Sandinist effort to comply with the lines of action and tasks put forth in the Sandino Plan.

On Defense and Security in 1989

As the Revolution's first priority, we assumed the task of accelerating the defeat of mercenary forces and preparing ourselves to repel any escalation of military actions at the borders, including the possibility of direct military action by the yankees.

That caused us to redouble our efforts to reduce social support for the counterrevolution using, first of all, political-economic methods, but also force and preventive actions.

To meet the defense objectives, we planned to recruit, mobilize, or enroll 50,000 youths to carry out the various defense tasks, including the protection of crops. We also implemented strict preventive measures and internal order for thousands who tried to avoid or violate the Military Service Law. That did not help us win any votes, but it was necessary to guarantee the electoral process itself.

Economy

Preventing an economic collapse meant containing hyperinflation, for which we had to ensure compliance with the Economic Plan. Despite some actions adopted to buffer the negative effects of the economic measures on the people's economy, the impact affected broad grassroots sectors. This did not help us win any votes, but it was necessary to stop the sinking of our economy.

At the same time, special efforts to obtain economic and financial support for the economic adjustment plan were only partially successful. Yankee pressure, supported by the capitalist COSEP [Higher Council of Private Enterprise] leaders successfully sabotaged national efforts to obtain funds for the country.

Peasants

To gain support from the peasant population, we decided to accelerate the delivery of land to those who benefited from the agrarian reform and resolve the problem of thousands of families who were demanding land. This included the delivery of even underused land in the hands of state enterprises and cooperatives.

We promoted overall programs to increase our social and economic influence in peasant regions, which were the basis of the counterrevolution. However, it was not enough, and it was already too late to gain the confidence of poor and middle-class peasants.

Political Ideological Aspects

We decided to promote a broad political-ideological mobilization among the FSLN, the grassroots, social organizations, and the people in general in defense of their interests. We promoted the entrance of outstanding compañeros into the FSLN ranks. The plan also included completing the FSLN's reorganization.

In addition, we developed a policy of rapprochement toward middle-class sectors, merchants, technicians and professionals, and producers and industrialists who resented FSLN policies, even though some of them had benefited from them. Those efforts had limited results.

In order that we might have an unquestionable electoral process and one that would leave without a basis for argument the imperialists and their allies who were trying to delegitimize the electoral process, we made concessions that meant a substantial disadvantage for the FSLN but that guaranteed achieving the leading objective, which was to hold the elections to attain peace.

We let the opposition be financed by the U.S. Government, accepted political publicity spaces of a duration equal to that given the opposition, and led the electoral process to its conclusion, even though the war did not come to an end at the date specified in the Esquipulas Accords. In addition, we made great organizational efforts, including the creation of the Supreme Electoral Council, the organization of 4,000 vote-counting boards, and the enrollment of two million voters. Most of this latter task, which required mobilizing nearly 80,000 people, fell to the FSLN.

The 1990 Elections

We encouraged economic and political reconciliation and multiplied our international efforts abroad to obtain foreign resources through Stockholm I. This effort was hampered by U.S. leaders and the most far-rightist political and economic forces in our country.

We entered the electoral battle in these circumstances on 25 February 1990. The outcome of the elections reflected the deterioration that Nicaraguan society had been undergoing since 1984 as a result of the U.S. Government's interventionist policy.

The electoral defeat was also the price paid to reach the historic objective of thwarting the U.S. goal of stopping Sandinism. Through the elections and the regional negotiation process, it was possible to guarantee the full disarmament of the counterrevolutionary army and an end to the aggression that made it nearly impossible to preserve, let alone develop, the revolutionary transformations.

The result of the electoral process does not constitute a strategic defeat because this process took place within the parameters established by the Revolution, such as the constitutional framework, juridical order, the Armed Forces' strength and legitimacy, achievements and transformations in the economic and social fields, and the development of popular organizations in cities and rural areas.

At the El Crucero meeting on 17 June 1990, we studied our electoral defeat more in depth and agreed that the accumulated effects of the war on the social and economic fields, to which outside factors such as the socialist countries' diminished support had to be added, aggravated the structural imbalance and social tension.

In this assembly, we admitted what was described as the serious error of not anticipating an electoral defeat, which is why we did not prepare ourselves for such a possibility. In addition, we were excessively arrogant and cocky during the campaign.

The crisis had especially affected the popular sectors, workers, and small-scale businessmen and craftsmen, and the negative effects of the crisis were capitalized on by UNO [National Opposition Unity], which enjoyed the Yankee government's open support.

Disagreements within our organization became evident after the electoral defeat, when authoritarianism, bureaucratic leadership methods, sectarianism, lifestyles in sharp contrast with the country's situation, arrogant behavior, and abuses—among other errors and weaknesses—were criticized.

Furthermore, we must say that the difficult task of guaranteeing the number of recruits for the SMP and workers for coffee harvesting, as well as health and education drives, fell to the FSLN's professional cadres. Dozens of these workers were killed while on active duty. These cadres had the painful responsibility of reporting the death of the mobilized person to his family. The majority of these companeros fulfilled the tasks assigned by the Revolution with a great amount of sacrifice.

Strategically, however, the electoral defeat affirmed the feasibility of a deep, democratic revolutionary process. The electoral process and the FSLN's response to it were so pure and our reaction to the defeat was so sane that the Yankee government itself could not regard it as the Sandinists' defeat.

Quite the contrary, the FSLN rose proudly from the electoral defeat, reaffirming the validity of the Sandinist revolutionary process.

Conclusions

These are the FSLN's attainments on behalf of the revolutionary cause and Nicaragua's national and social liberation.

1) Achieved the 8 March 1979 Unity Agreements that allowed the FSLN to become a single vanguard organization and allowed Sandinist groups, internal allied groups, and all the people to reach their maximum potential—to guarantee an insurrectional offensive that

made it possible to oust the Somozist dictatorship and allowed the revolutionary forces to assume power on 19 July 1979.

2) Accurately lead the people toward the Somozist dictatorship's ouster, putting an end to the political and economic oppression under which the Nicaraguan people suffered.

3) Established the groundwork for a legal state and the essential conditions for the full exercise of the citizens' political and civic rights.

4) Strengthened unity within the National Directorate, according to revolutionary convictions and political interests, after the triumph. This represented an essential element for guaranteeing and strengthening the unity of the FSLN and the Sandinist masses in general.

5) Built and consolidated an Armed Forces that guaranteed that the state will have permanent institutions that defend our sovereignty and the citizens' protection.

6) Prepared, in 1980, a general strategy for the consolidation and defense of the power we achieved. This demanded the creation of a defensive military system incorporating the masses' support for the Armed Forces, to guarantee that the revolutionary achievements were appropriately protected.

7) Prepared and implemented a political, military, diplomatic, and socioeconomic strategy to counter the war of aggression. The strategy was designed in a general way when the military aggression started, and it was successfully developed at the national and international level until it defeated the United States' counterrevolutionary plans.

This allowed us to preclude and prevent the United States' direct armed intervention—until we defeated the counterrevolutionary echelons' strategy—and to sustain the country's economic, social, and governmental activities.

8) Prepared, in January 1989, the strategy to achieve total and definite peace following George Bush's rise to the U.S. Presidency.

This strategy entailed an intense regional negotiation process and demanded concessions in the national political sector, to keep the Reagan policy at a distance from the new administration.

The negotiation process was stepped up to overcome the threat of a military aggression that appeared after the Yankee intervention in Panama. It also helped neutralize and politically undermine the armed counterrevolutionary actions, as well as the support that these forces received from the Yankee Government, until their demobilization and complete disarmament.

The main goals of this strategy—the end of the armed conflict and an economic recovery following the achievement of peace—have been achieved. The first goal was essential and the second goal was a challenge to our creativity and firmness as the opposition.

9) Carried out, throughout 10 years, the most effective social and economic changes ever experienced in Nicaragua. The FSLN managed to abolish oligarchic structures for exploiting the people and it recovered national resources, distributing the nation's land and resources among the poor.

10) Achieved important social progress. Most of the Nicaraguans were taught to read, and the concern about public health led to a reduction in the child mortality rates. Also, diseases that caused great damage to the people were wiped out and Nicaraguan life expectancy rates were raised.

11) Established the basis for Nicaragua's real democratization—the right to own land and the creation and strengthening of labor and social organizations—and institutionalize the people's right to periodically choose the country's authorities through a fair and honest process.

12) Built the strongest party in Nicaragua, which today rises as the guarantor of the people's achievements and the instrument by which to fulfill the Nicaraguan people's historical goals.

13) The 1989-1990 elections were a fundamental factor in achieving the main objectives of the aforementioned strategy. Although we did not win the elections, the overall strategy prevented the defeat from becoming the Revolution's strategic downfall. The constitutional framework, the legal order, the Armed Forces' strength and legitimacy, and basically Sandinism's high level of popularity and organization in the countryside and in the city, were all determining factors so that the aforementioned defeat was not used to impose on us the counterrevolution and Sandinism's destruction. These impositions were the goals of the imperialists' war.

14) Conducted and guided the negotiating process, the Transition Protocol after the 25 February 1990 elections, which prevented Nicaragua from plunging into destruction and chaos and even undergoing a possible Yankee armed intervention.

15) Placed ourselves at the front of the peoples' struggles against the extreme forces that—from divers directions (political parties, UNO deputies, right-wing media, armed radicals, the Legislative Assembly's Presidency, some government officials, foreign right-wing activists, the CIA, etc.)—attempted to do away with the revolutionary process and discredit the FSLN, above all the National Directorate.

16) Participated in forums such as the National Concerted Effort to face, in a more just and realistic fashion, the difficult economic, social, and political situation that the nation is undergoing in the current transition period and that will take us away from war and extreme

political polarization toward total peace and the nation's constitutional democratic regime's stability.

17) Promoted several direct and indirect negotiations with the main leaders of the former Nicaraguan Resistance. The goals of these negotiations were, first, to keep the peasants and former Resistance members from being used by the right-wing radicals, and second, to draw them closer to the Sandinist peasants, their brothers in poverty and with common interests, whom they had confronted militarily in the recently ended war.

18) Maintained and strengthened the FSLN's relations in the international scenario, with forces and leaders in different parts of the world, both within and outside of the governments. Some of these were, among others: the peace effort in the Persian Gulf and the growing relations with Latin America and Europe.

19) Actively participated in the ongoing negotiating process in El Salvador. The FSLN's National Directorate is playing an important role, an outstanding role, in the process. The FSLN, together with the Nicaraguan Government and UN Coordinator Alvaro de Soto, has become one of the main pillars of support for the most important parties in the conflict: the Salvadoran Government, the Armed Forces, the FMLN, and the U.S. Government.

This achievement, besides contributing to just peace in El Salvador, has strengthened the FSLN's serious image in the Central American region, in favor of peace and regional stability.

20) Gained for our nation and our people a place of respect in the international community. The country that had been interfered with, trampled on, and humiliated has been replaced in the minds of nations by a deserving, courageous, and heroic Nicaragua, which struggles for the downtrodden's just cause and prefers death to the loss of its liberty.

21) Promoted the dialogue process to be undertaken at this historic First Congress. Our capacity to analyze our victories, our defeats, and our errors, as well as our successes, strengthens our unity, serves as a guiding light, and sets our goals, thereby providing our cause and our people a better mechanism and greater capacity to continue on their road of struggle and victory.

In this first report we have tried to incorporate into this historical First FSLN Congress the principal elements that merged together and that outline the general strategy in the process against the Somozist dictatorship and the imperialistic aggression.

This report will serve as an instrument to better understand and evaluate the FSLN's effort and its leadership in the fight to pave new horizons for the Nicaraguan people.

In this outstanding undertaking, we have had the privilege to be at the head of the revolutionary detachment that during several stages incorporated a generation of rank and file activists and middle-level cadres, the majority of them anonymous activists. Without these brothers it would have been impossible to deliver to this First Congress and to the heroic people of Nicaragua the fruits of these ideals that, since the sixties, have led us with Carlos Fonseca's brotherly guidance to undertake a long, painful, bloody, but always glorious road for the social and national liberation of our people and our nation.

In its historic program and government program, Sandinism made a proposal to Nicaraguan society. The proposal, which contains Sandinism's fundamental contribution to the struggle waged by the Nicaraguan people throughout their history to build democracy and a new society, was largely fulfilled.

Nicaraguan society, economy, and politics changed after 1979. Left behind forever were dictatorships and generalized military repression against the poor. A new democratic phase of our history opened up.

Nicaragua will enter the 21st century with the changes intensified by the revolution. To the extent that these structural changes become truly irreversible, we will be guaranteed the continuity of progress toward an increasingly just society that will affirm national sovereignty.

All of these achievements were accomplished and defended when the fatherland was waging a war for the defense of national sovereignty against the most devastating and prolonged aggression that any Latin American people or government ever waged uninterruptedly with the powerful Yankees.

Since then Nicaragua is freer, more democratic and revolutionary than at any other moment of its history, and the people have in their hands the basic tools to defend their legitimate interests.

An evaluation of the Sandinist government must begin with the Sandinist program and the society it encountered; with the proposals that we made as revolutionaries and the progress that reality allowed us to make. We were between the ideal and the feasible, between the revolution's resolve and its own limitations, and the limitations imposed by the northern empire.

It must also begin with the recognition that unity within the heart of the National Directorate and the FSLN's rank and file have been decisive to the people's unity in defense of the revolutionary plan.

The FSLN continues growing in quality, membership, and combativity; it is applying new forms of struggle to new circumstances. It is a very rich experience for a revolutionary movement which, upon losing the elections, has grown and maintained its ideological and political unity.

Political unity is the result of a struggle to defend the rights, properties, and dignity achieved by the revolution, which have been assumed by the working people, including many who voted for the UNO [Union of

National Opposition] and others who committed themselves directly or indirectly to the counterrevolution.

In the struggle for the people's property and against the efforts of the rightwing, pro-imperialist, and revengeful sectors that are trying to reverse the revolution's achievements, today we are raising a new front for popular struggle, to make them fulfill the political constitution with the laws and the transition protocol.

The sectors organized in the Front for the People's Struggle and the workers grouped in the National Workers' Front are strongly defending the economic, social, and political gains that the FSLN bequeathed to the nation.

The FSLN is at the forefront of the struggle for lands for peasants, cooperatives, demobilized Nicaraguan Resistance members, retired comrades of the Sandinist People's Army and Government Ministry, and the workers and experts of the the agricultural sector.

The struggle is for a new regime of stability and democracy, not just a formal but a participative democracy.

The FSLN will continue struggling for the construction of a new economic and social model where there is no room for exploitation and subservience to the foreign dictates of neoliberal policies, which seek to make the rich even richer at the expense of immersing the mass sectors—the workers—deeper into poverty.

The FSLN is defending the effort of concerted agreements and reconciliation within the framework of social justice and respect for a new Nicaraguan political culture, in which Sandinism is a fundamental element.

It is up to us to clearly establish the FSLN's banners of struggle at this time: the defense of the national constitution, the Transition Protocol, and of the agreements that workers may reach on properties. We are also demanding that adversary forces and the U.S. government respect Sandinism and the new political and social situation that began to be built in Nicaragua on 19 July 1979.

The FSLN demands firm ideological unity and greater political cohesion to face an enemy with the clear purpose of destroying the democratic process by launching campaigns against the FSLN. The enemy is united and attempts to strip the people of their attainments. To win this battle, we must become more and more united and our unity must be better.

The FSLN must develop new and better mechanisms of communication with the rank and file for truly anchoring internal democracy, which will ensure our critical cohesion, growth, and unity, strengthen the people's critical awareness and enable us to add more and more forces of the various sectors and social layers of the Nicaraguan society to the defense, consolidation, and development of the revolutionary attainments.

Great changes have taken place in the world in the past few years. The collapse of the socialist governments and the profound crisis in the Soviet Union have led to an ideological offensive by those who have decreed the death of socialism, popular struggles, and revolutions. Neoliberal policies have a tendency to spread, bringing economic and social disaster for the dispossessed of the earth.

The developed North continues to oppress the increasingly impoverished peoples of the South. Democracy is negated by an unfair international economic and judicial order. We, the Latin American and Third World peoples, must unite.

We, the peoples of the North and South, must create a great International Struggle Front to defend the right to democracy, justice, liberty, sovereignty, self-determination, independence, and peace.

We all must strive together for a new international and truly democratic economic and judicial order where the environment must also be protected as the vital source of life for mankind.

The Third World countries must not see or understand capitalism as a panacea. We reject it, are victims of it, and struggle against it. The Sandinists have the historical commitment and challenge of coming forth in defense of the oppressed people of Nicaragua, as a hope for the oppressed people of the world.

The validity of the revolutionary process in Nicaragua is determined by the people's willingness to fight; the FSLN's unity, combativeness, boldness, and creativity; and the solidarity and support of the peoples of the world.

We have opened a way in our history toward a fairer society. This is a democratic pathway to socialism, which will save mankind's values and truly guarantee peace with justice, economic development, and respect for human rights, liberty, and democracy. This is our challenge. This is our commitment to those who gave everything to see Nicaragua free. Long live the FSLN Congress! Long live Sandinist unity! Long live the unity of all the people! Long live the heroes and martyrs! Long live the 12th anniversary of the revolution! Long live the solidarity of the peoples! Long live Sandino! Free homeland or death!

FSLN National Directorate

Tomas Borge, Victor Tirado, Daniel Ortega, Humberto Ortega, Henry Ruiz, Jaime Wheelock, Bayardo Arce, Luis Carrion.

Managua, 19 July 1991.

Resolution on Rural Problems

PA2407000691 Managua BARRICADA in Spanish 22 Jul 91 p 3

["Resolution on Rural Problems" issued by the Sandinist National Liberation Front, FSLN, Congress in Managua—date of resolution not given]

[Text] Taking into consideration the lack of an FSLN policy for the rural sector; the limited Sandinist influence on the peasants; and the current situation, which is characterized by a worsening of agrarian conflicts, the critical socioeconomic situation, and the proliferation of paramilitary actions which renew the possibility of a war—phenomenons that collectively may provoke dramatic and catastrophic consequences for the nation, particularly in the countryside:

The Congress orders the Sandinist Assembly and the National Directorate to prepare, as soon as possible, a strategy to help solve these problems, strengthen peace and stability, and restore our influence in the countryside.

The Congress also recommends the immediate creation of a commission to handle the most urgent problems. The commission may include the participation of the UNAG [National Union of Farmers and Cattlemen], FENACOOP [National Federation of Cooperatives], and ATC [Association of Agricultural Workers] presidencies and the coordinators of the FSLN's Department Committees.

Declaration on Peace

PA2407034191 Managua BARRICADA in Spanish 22 Jul 91 p 6

["Declaration on National Stability, Peace, and Reconciliation" issued by the Congress of the Sandinist National Liberation Front, FSLN, held in Managua on 18 and 19 July]

[Text] The First FSLN Congress, on analyzing the national situation, observed with marked concern an acute deterioration of the process of national reconciliation, which threatens the nation's precarious stability and the peace that we Nicaraguans have achieved with so much effort and sacrifice. It also seriously jeopardizes our possibilities for economic recovery.

The basic cause of this deterioration is the regrouping of the most rightist political sectors. Although in the minority, they are seeking, from their positions of influence within the state, to reverse the social changes made by the revolution, which gave hundreds of thousands of families access to land tracts, housing, and farmland.

There can be no national stability without socioeconomic stability for the majority.

The greatest threat to peace and stability lies in the problem of rural areas. A failure to meet the legitimate demands for land, credit, and technical assistance for the peasants, especially the demobilized members of the Resistance [RN] and the Armed Forces, the latifundist aggressiveness of revengeful sectors, and the incoherence of government sectors regarding the policy of revising confiscations and of privatization are leading us into situations of violence that have already taken a painful toll in the lives of members of cooperatives, demobilized RN members, and members of the Armed Forces. That violence erodes all possibilities for peace and the recovery of agricultural production. The FSLN believes it is of greatest urgency that a national conference be held, with the participation of all sectors, to discuss the peasant problem, with priority placed on the adoption of specific measures to fulfill the promises of land made to the demobilized RN and EPS [Sandinist People's Army] members, to provide legal stability for the distributed property, to complete the disarmament of all sectors, and to guarantee the physical safety of the rural population. The main fruit of this conference should be the unity and tranquility of the peasant family.

Also, the second phase of the Socioeconomic Concerted Agreement, which constitutes a forum crucial for stability and the solution of socieconomic problems, is destabilized by the National Assembly's initiatives on ownership and others of an eminently vindictive political nature that sow mistrust and polarization, because they appear to be linked to government sectors. The FSLN rejects attempts to discredit this forum of convergence and negotiation, and the attempt to replace it with a polarized process of political discussion that openly defies measures to achieve stability.

The government shoulders an unavoidable responsibility in the efforts to achieve peace and stability. In this respect, the FSLN is concerned over the failure to abide by the essential elements of the Concerted Agreement, and by the lack of political coherence evident in the actions of officials who flagrantly violate the commitments the government makes.

The obscene and crude campaign to cast doubt on the morals of Sandinism and its leaders falls within the regrouping of the most rightist sectors. The FSLN is sincerely proud of its policy that gave land, housing, and land tracts, as well as education and health, to the immense majority of Nicaraguans, including hundreds of officials—Sandinists and non-Sandinists—who unselfishly served the country.

Our reaffirmation of the policy of distributive social justice, which is an essential part of Sandinism, does not condone abuses and unlawful expropriations, and should they exist they must be corrected through the appropriate means.

We categorically reject the extreme right's campaign on property, which is merely an excuse to try to take away properties from thousands of Nicaraguans and return to the economic system of the Somozist past.

The attempt to violate the institutional character of the judicial branch and the armed forces is an act of recklessness in the face of the loftier demands of stability and reconciliation. The FSLN does not accept that partisan interests should come before the interests of the nation. The FSLN reiterates its unbreakable commitment to peace, stability, and reconciliation, which must revolve around the interests of the people.

Panama

Newspapers Reaction to Approval of MLAT

PA2307145491

[Editorial Report] The following is a compilation of reports and commentaries published in these Panama City Spanish language newspapers on the approval of the Mutual Legal Assistance Treaty, MLAT, by the Panamanian National Legislative Assembly on 15 July.

CRITICA LIBRE on 16 July carries a series of reports on the MLAT approval. A 400-word editorial on page 4 entitled "Treaty Against Criminals" states that criminals will no longer be able to escape the "long arm of the law" in Panama and the United States. It dismisses charges by the MLAT's foes that it harms Panama's sovereignty, stating it will work based on "the principles of criminal law and the observance of humanitarian considerations that prevail on the international scene."

On pages 48 and 32, CRITICA LIBRE carries a 300-word report by Roberto Cubillas, stating that the vote on the MLAT approval came following "50 hours of debates," and that Democratic Revolutionary Party, PRD, legislators as well as Alfredo Ehlers of the Christian Democratic Party, PDC, voted against it "arguing that the MLAT 'harms Panama's legal sovereignty,' and that it was signed as a 'condition by the United States to give economic aid to Panama.'"

In a 600-word report on page 8, the same newspaper cites seven legislators on the MLAT. In remarks that represent the views expressed by five other pro-government legislators, PDC Legislator Guillermo Cochez stated: "The treaty benefits Panama. It constitutes one of the many things that the government must do to cleanse its international image." PRD Legislator Abelardo Antonio is quoted as saying he voted against the MLAT, because it "functions in one direction," namely in favor of the United States.

LA PRENSA of 16 July carries on page 1A a 700-word report by Zoila Rodriguez Jovane that cites PDC Legislator Alfredo Ehlers as saying he voted against it, noting that if "the governments wants to be democratic it cannot sign agreements subject to economic aid." In addition, Legislator Gerardo Gonzalez, PRD president and bloc chief in the Assembly, accused the United States of "using the unknown content of those 15,000 boxes held by the U.S. authorities" to pressure Panamanian authorities. He noted that he agreed with the National Bar Association's view that the MLAT "harms the country's economic health and the rights and guarantees of Panamanians." PDC Legislator Gabriel Arosemena noted that those, who now oppose the MLAT, were the ones who "opened the country to the possibility of foreign intervention under the pretext of the defense of the Panama Canal in a treaty in perpetuity."

EL SIGLO on 16 July carries on pages 1 and 2 a 300-word report by Yali Enrique Pitti which states that, according to "PRD legislators queried by EL SIGLO, the MLAT between Panama and the United States will have a 'boomerang' effect, because some officials of the current regime who are implicated in crimes related to drug trafficking and money laundering will head the list of Panamanians, who can be extradited at the request of the U.S. authorities."

The same newspaper carries on page 4 a 300-word editorial called "The MLAT Approval." The editorial welcomes the treaty as a "barrier" against drug trafficking, and notes that it will allow the country to receive "the money necessary" to become a productive country. It warns, however, that the country must adopt measures to prevent "U.S. meddling in the handling and activities of Panama's banking sector, for which the banking secret is one of its most sensitive features."

The editorial adds that the "correct analysis, bereft of any kind of meddling in the legal rules that set the criteria for crimes in our country," deserves to be treated carefully to make the MLAT "function, as is the case in other countries, within the inviolate bounds of respect for sovereignty."

LA PRENSA on 21 July carries on page 2A a report by Zoila Rodriguez Jovane on remarks by PRD Legislator Gerardo Gonzalez, who cites recent reports "from Washington" to warn that "U.S. conservative senators have drafted amendments to 'toughen the MLAT's terms.'" Gonzalez adds that these amendments are intended to "allow a U.S. presence in customs offices in ports and international airports, the Civil Aeronautics Office, and in the Colon Free Zone, which are the chief routes used to smuggle drugs into the country."

LA ESTRELLA DE PANAMA on 21 July carries on page A-4 a 500-word editorial entitled "The Historic Effect of the MLAT." It begins by noting that in gaining the approval of the National Legislative Assembly, Panama "has done its part", and it is now up to the U.S. Congress to do likewise and provide the country with the sorely needed $80 million in economic aid. The editorial adds no decent Panamanian can be opposed to any measure to fight drug trafficking, but it voices concern over the government's failure to inform citizens about the content of the MLAT. The editorial is also concerned that the psychological conditions do not exist in Panama to have free choice, since Panama "is still an occupied country" and its rulers seem "grateful to the United States for installing them in office."

Argentina

Menem on 'Indirect' Verbal Clash With Castro

PY2307175891 Buenos Aires TELAM in Spanish 1304 GMT 23 Jul 91

[Text] Buenos Aires, 23 Jul (TELAM) — President Carlos Menem has termed "highly exceptional" the first meeting of the Ibero-American countries that was held in Mexico. However, he considers the indirect exchange of ideas with Fidel Castro, Cuban chief of state, as "a type of verbal confrontation."

Referring to Castro, Menem highlighted the fact that "as a man, I know the ins and outs of the political arena, I know democracy and the loss of democracy, freedom and the loss of freedom; and I know that one cannot tolerate constant talk about democracy, when in one's own country democracy does not exist."

He told Radio America that "it was a type of verbal confrontation. Matters remained unchanged, however, with myself defending democracy and the United Nations; and Castro harshly criticizing the United Nations, because it could not prevent the Persian Gulf war."

Menem stressed: "Thanks to the United Nations, matters did not worsen and the dictator, a tyrant who absorbed a much smaller country that was unable to resist the aggression or the invasion, was stopped," alluding to Saddam Husayn's invasion of Kuwait.

Embalse Nuclear Plant Reenters Service

PY2307181691 Buenos Aires TELAM in Spanish 1329 GMT 23 Jul 91

[Excerpt] Cordoba, 23 Jul (TELAM) — Authorities of the Embalse nuclear plant, near the Tercero River Dam, have told TELAM that the plant reentered service just after midnight today, and is contributing to the National Inter-Connected System following repairs and maintenance. [passage omitted]

Brazil

Reportage on Collor's Criticism of IMF Delegate

Criticism Reported to Director

PY2307171691 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 23 Jul 91

[Text] President Fernando Collor's criticism of the IMF delegate, who referred to Brazil's domestic problems, will be reported to IMF Director Michel Camdessus. This order has been given to Alexandre Kafka, Brazilian representative to the IMF, by Economy Minister Marcilio Marques Moreira. Reporter Cristina Indio do Brasil will give us further details:

[Begin Indio do Brasil recording] Alexandre Kafka was recalled to Brasilia by the economy minister for consultations on the morning of 22 July. Last Thursday, 18 July, a statement by Jose Fajgenbaum, the leader of the IMF mission to Brazil, regarding the need to amend the Brazilian Constitution was published in a daily newspaper. The economy minister later made a telephone call to Kafka.

Today, 23 July, the IMF mission will resume its studies of the Brazilian economy, analyzing data on the economy last year. The IMF mission will meet with Central Bank officials at 1500 today. This meeting was slated for 1100 this morning, however, the schedule was changed at the request of the IMF mission. The meeting with Economy Ministry secretaries scheduled for 1600 has been postponed, and a new schedule has not yet been scheduled. [end recording]

Talks With IMF Suspended

PY2307182691 Rio de Janeiro Rede Globo Television in Portuguese 1600 GMT 23 Jul 91

[Text] The IMF representatives are still in Brasilia. Today, they went to the Central Bank, where a hall has been placed at their disposal. Yesterday, the Brazilian Government canceled all negotiations with the IMF representatives until the head of the mission, Jose Fajgenbaum, has been replaced.

Despite President Collor's request to replace the head of the mission, the IMF representatives are still in Brasilia. Fajgenbaum had said that Brazil needs to amend its Constitution. The mission, however, is awaiting orders from the IMF board in Washington.

The IMF delegates spent all morning at the Central Bank hall, where they have been working since last week. All meetings have been canceled, including the one scheduled for 1600 this afternoon with the Economy Ministry secretaries.

According to the Central Bank advisory Department, the IMF experts are here merely to analyze the data they had already collected on the Brazilian economy. Thomas Reichman, who headed the IMF delegation for eight years, on leaving the hotel today said that what happened was only an incident. Reichman provoked another incident like this during one of his visits to Brazil. In 1988, when Mailson da Nobrega was the economy minister, Reichman said that Brazil needs to ask for a pardon prior to concluding any agreement with the IMF. He later denied his statement.

Pedro Malan, official Brazilian foreign debt negotiator, has said that this new incident with the IMF will not affect negotiations with the creditor banks. According to Malan, Brazil's image abroad is good.

Chief of IMF Mission Replaced

PY2407022891 Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 23 Jul 91

[Excerpt] [passage omitted] Five minutes ago, Economy Minister Marcilio Marques Moreira received from Washington an IMF note stating that it will replace the head of the IMF mission. The new mission head will be Ted Beza, who is currently the head of the IMF Western Hemisphere Department. Beza will arrive in Brasilia on 25 July.

Mr. Jose Fajgenbaum is leaving.

Debt Negotiator Comments

PY2407024891 Rio de Janeiro O GLOBO in Portuguese 23 Jul 91 p 21

[Text] Brasilia—Official debt negotiator Pedro Malan said yesterday that the incident between the Brazilian Government and the IMF mission will not alter the schedule for government negotiations with private banks. According to Malan, the Brazilian Government's negotiations with the IMF and negotiations with the private banks are conducted independently, and an agreement with the IMF is not a precondition to resume negotiations with the private banks.

Malan admitted that the two negotiations will converge sooner or later, mostly because Brazil would like to obtain a loan from the IMF to increase its capacity to pay the installments resulting from the agreements to be signed with the bankers. He added, however, that the agreement with the banks also will take a long time to finish.

One of the basic demands to be made to the creditors is that a discount be made on the debt principal. The way this will be done, however, is being kept secret by Malan. He believes that several alternatives will be offered to the banks to meet the individual rules of the institutions according to the different fiscal regimes in their countries of origin.

Brazil will also make it clear that it cannot go beyond its capacity for payment. The Brazilian negotiating team has been meeting with bankers to explain that the capacity for payment does not depend only on obtaining trade surpluses. Brazil can only pay an equivalent of the resources the government can generate, because 90 percent of its debt has been contracted by the public sector. It can only use the surpluses to pay for the debt and cannot resort to other means, such as printing titles and money, because the country is trying to control inflation.

Government Ups Number of Radio, TV Channels

PY2307204691 Sao Paulo FOLHA DE SAO PAULO in Portuguese 21 Jul 91 Section 1 p 12

[Reported by Executive Director Josias de Souza and Editing Staff Secretary Valdo Cruz of the Brasilia Branch Office]

[Excerpts] The government has increased the number of radio and television channels that can be distributed throughout the country from 500 to 1,539. Radio and television concessions have traditionally been used as an instrument for political bargaining, especially during the government of Jose Sarney.

So far, President Fernando Collor de Mello has not given any concessions. More than 1,000 requests, mostly from politicians, have been pigeonholed at the National Communications Secretariat, part of the Infrastructure Ministry. Concessions are personally approved by the president, however, they must be ratified by the National Congress. [passage omitted]

To increase the number of broadcasting stations inherited from Sarney (500), the current government had to change the radio frequencies. Radio and television frequencies spread throughout the country had to be compressed, and this has forced some stations to change their frequencies. In other words, there was a reduction of the space between frequencies, which can be visualized on radio dials. The frequency number of a given station ended up closer to the other. [passage omitted]

Officially, the government Technical Department argues that the increase in the number of available channels is justified if the government decides to meet the demands. For example, it has been cited that there are 1,000 requests at the Infrastructure Ministry. With the current 500 concessions, the government will be able to meet only half of the requests.

Of the 1,539 channels available, 1,376 are for radio stations and 163 are for television channels. The Government plans show that there is space for a new expansion of the system.

Cleto Falcao Named New PRN Leader

PY2407012691 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 18 Jul 91

[Summary] Deputy Cleto Falcao of Alagoas State has been named the new PRN [National Reconstruction Party] leader in the Chamber of Deputies. He will replace Deputy Arnaldo Faria de Sa. Falcao is a personal friend of President Fernando Collor. He said he has been named the new PRN leader in the Chamber of Deputies for two main reasons: first, to try to energize and reorganize the party, and, secondly, to relieve Deputy Faria de Sa of his current duties, which will allow him to engage in his mayoral electoral campaign duties, in Sao Paulo next year.

Ecuador

* Committee Continues Money Laundering Probe

91WD0954B Guayaquil EL UNIVERSO in Spanish 5 Jul 91 p 1

[Text] Quito—Members of the Parliamentary Commission investigating drug money laundering in this country reiterated here that Ecuador has become a target of drug-smuggling money.

Informing reporters about the progress of the investigations on the case, Commission President Deputy Fernando Larrea Martinez said that there are "serious suspicions that the Ecuadorian Exchange Bank and the Bank of the Andes are being used as mechanisms to launder narcodollars, for which client identification is not required."

But that deputy's spokesman, Romulo Lopez Sabando, went even further in emphasizing that the Ecuadorian economy is in deep economic crisis, and that the general situation is so critical that the inflow of enormous sums of dollars cannot be justified.

Lopez Sabando said, "we believe that the millions of dollars can only come from drug smuggling and are laundered in Ecuador."

He said that the country could defend itself from narcodollar laundering if the government were to act decisively to step up the confiscation of funds as mandated in 1988, and abolish the Monetary Authority regulations of March and October 1990, which permit totally free commission-based transactions on the part of banks.

He emphasized that the plan had been initiated by the government and the Central Bank of Ecuador, as well as the Monetary Authority, but that we have not received the necessary response.

"I do not know how an official as closely observed as Central Bank Director Eduardo Valencia can now aspire to the presidency of the Monetary Authority," he added.

There Is No Self-Control

Commission President Fernando Larrea called into question the self-control mechanisms on the part of the country's banking, financial and exchange authorities, to prevent laundering of drug money.

He himself cancelled the highly publicized actions last May because the "self-control" was as a result of orders to those convicted of the crime to close the bank accounts of various citizens arrested for smuggling or possessing drugs, he added.

But he recalled that the list included nicknames and the classic N.N., used when the names of the persons are unknown. He asked what control can be exercised in that situation?

Resolutions Are Not Applied

Larrea Martinez emphasized that entities authorized to carry out dollar transactions are not applying the banking superintendency's resolutions, which calls for a record of client identification.

That is most suspicious when million-dollar transactions are carried out and identification is not recorded, but when mere mortals go to cash a check for only 5,000 sucres, they cannot do so without presenting an identity card, he noted.

He pointed out that in a carefully selected experiment to establish the money's origin, they have found adulterated identity card numbers, and even names and last names, for which they have been able to make the corresponding verifications in the civil record.

Finance Ministry Commitment

For those reasons, he added, we have resorted to Finance Minister Pablo Better, who is considered an "honorable man," to assist the investigating commission.

With that organization's cooperation we will not only find out if those who exchange millions of dollars have paid the proper amount of income tax, but also establish the money's origin, through audits and investigations.

High School Students

Finally, the PRE deputy noted that high school students in Guayaquil's heavily populated Ximena and Letamendi parishes have carried out million-dollar money-laundering transactions.

In an actual demonstration he noted that, for example, Pilar del Rocio Ibarra, 32, a high school student, had deposited $29,630,706 with the Ecuadorian Exchange Bank; Paquita Bernal Navarrete de Fierro, 27, a college student, had deposited $18,930,617 at the same bank; Roberto Flavio Cornejo, 34, a high school student, had deposited $14,029,300 with the Bank of the Andes; and Juan Badillo, 31, a high school student, $45,748,000 with the Bank of the Andes.

Investigations To Continue

After stating that this illustrates the commission's serious and responsible work, he added that the investigations of drug money laundering in the country would continue.

Peru

Fifteen Banks Attacked in Lima, El Callao

PA2307171891 Madrid EFE in Spanish 1515 GMT 23 Jul 91

[Text] Lima, 23 Jul (EFE)—Fifteen bank offices in Lima and El Callao port were the sites of attacks last night which, while they did not cause any casualties, did cause considerable damage. The power system in the Peruvian capital was also attacked, causing a power outage that is still affecting 15 percent of the city.

The Electroperu and Electrolima Power Companies have not disclosed further information about the power outage, which also affected towns 400 km from Lima.

The attacks on the banks took place during a two hour period last night, and the financial institutions most affected were Banco Cooperativo, Banco Comercial, Banco de Credito, Banco Wiese, and Interbanc.

The National Police has reported the arrest of dozens of suspects.

On 22 July, there was also an attack on the Justice Palace in Lima, where explosives were placed on the balconies of the building. There were damages but no casualties. The device went off when Rosa Luz Padilla, a member of the Tupac Amaru Revolutionary Movement (MRTA), was about to speak. Padilla was arrested in 1990 after escaping from a Lima prison.

The police ordered the evacuation of the Justice Palace and cordoned off the building, until they were certain there were not more explosives.

According to reports disclosed today in Lima, on 22 July terrorists in Cuzco attacked several buses and vehicles transporting tourist groups on their way to visit a ruins site 7 km from Cuzco, which is 1,000 km southeast of Lima.

The terrorists forced the tourists to surrender their money, set one bus and a van on fire, and painted subversive slogans on the ruins in question.

Columnist Analyzes Shining Path Strategy, Policy

PY2307120291

[Editorial Report] Lima EXPRESO in Spanish on 14 July, publishes on page 22 a 2200 word article by Patricio Ricketts Rey de Castro, about the policy of the Shining Path in the 1990's. The article, entitled "Shining Path Announces a War With a Million Victims," is a report of a conference held last 24 April by Luis Arce Borja, editor of EL DIARIO INTERNACIONAL, a Shining Path weekly that is published in Brussels, at the International Center of the Belgian Labor Party (Partido de Trabajo de Belgica.)

Arce Borja said at the conference that "from May 1980 to December 1989 the Shining Path carried out a total of 121,465 armed actions" in the following five stages: "The initial stage (May-December 1980) involved 1,342 armed actions; the deployment stage (January 1981-January 1983) involved 5,350 armed actions; the conquering of grass root organizations stage (May 1983-September 1986) involved 28,621 armed actions; the development of the grass root organizations stage (December 1986-May 1989) involved 63,052 armed actions; and the plan to develop the grass root organizations to conquer power stage (August 1989-December 1989) involved 23,000 armed actions.

According to Arce Borja, these figures are included in a document issued in 1990 by the Central Committee of the Peruvian Communist Party-Shining Path."

Arce Borja said: "The current stage is that of a transition from a strategic defense to strategic equilibrium, that is, from the guerrilla warfare to a war of movements." He added that the Shining Path "is now preparing to openly confront government armed and police forces. The tactical and strategic defense of the liberated zones will now begin."

Arce Borja said in Brussels that "it is estimated that one third or more of the Peruvian territory is under the control and administration of the Maoist guerrillas," and that "the people's power obtained through war is a reality in extensive regions of Peru, mainly in the Andes and Higher Huallaga Valley."

Rickets comments: "We are speaking of coca areas which are very important from the economic, social, political, and international point of view now that Peru and the United States have undertaken a joint task which is being combated by the Shining Path. If the Shining Path prevails in the area as the real power, the agreement w .h the United States can be considered defeated before it begins." Although the "Shining Path denies its link with drug trafficking, it has declared that it will 'protect the peasants from t. · abuses and brutality of the drug trafficking criminals and the repressive forces of the government.'" According to the Shining Path, "drug trafficking criminals will be eradicated once power is conquered in the whole country."

Ricketts says that since the Shining Path follows "the Maoist objective of besieging cities," and since "the terrorists have temporarily retreated to Ayacucho," the "government counterinsurgence intelligence should try to anticipate and prevent future terrorist strikes."

Arce Borja explained in Brussels the organizational system of the terrorist movement. "The embryos of the utopian 'Popular Republic of New Democracy' are called 'People's Committees.'"

"These People's Committees, which began in 1982, are either clandestine or open, and they are directed by five commissars elected through 'assemblies of representatives' or 'delegates of the mass' organizations generated by the revolution." Ricketts adds, "Obviously, the commissars are controlled by the Shining Path's vertical military organization."

"One third of the People's Committees must be made up of Communists, another third by peasants, and another third by progressive members." The five commissars hold the following positions: "Secretary, who commands the operation; Security; Production; Community Affairs; and Popular Organizations."

"In 1988 these People's Committees came to the open in frank defiance to the old Peruvian state." These committees "have two objectives clearly described by Arce Borja: To strengthen the Shining Path ranks and to develop the armed struggle. The committees are in turn sustained by the 'guerrilla army.'"

Ricketts concludes his article by stating that he assumes that the government is well informed of Arce Borja's conference in Brussels and that it must have already adopted measures to counter possible future terrorist attacks. He nonetheless wonders why the president and the Armed and Police Forces "waste their time painting the walls of the Peruvian universities, while the terrorists stand, smiling just a few steps away from them."

* Senator Notes 'Contradiction' Within Cabinet

91SM0397A Lima EL COMERCIO in Spanish
1 Jul 91 p A4

[Interview with Liberty Movement Senator Luis Bustamante by unidentified reporter; date and place not given—first two paragraphs are EL COMERCIO introduction]

[Text] Liberty Movement Senator Luis Bustamante Belaunde yesterday demanded that the government implement a true and rapid privatization of its public enterprises and not take timid decisions that seek only to avoid the challenge of privatization.

He also said that there is currently a contradiction between some members of the Ministerial Cabinet, where on the one side a liberal economic policy has been established, and on the other measures are being taken to defend a statist and protectionist policy for the government, on behalf of so-called strategic enterprises.

[EL COMERCIO] How do you see private investment's role in some enterprises of the energy and mining sector?

[Bustamante] It merely " waters down the soup." There is no privatization in that area. The state continues to use certain resources as a way of avoiding the challenge of privatization.

[EL COMERCIO] Then in your view, the measure does not constitute a step toward privatization?

[Bustamante] Absolutely not. Minister Sanchez Albavera does not believe in privatization. He is a statist and supports the state's participation in productive activities.

[EL COMERCIO] Does that hurt the country?

[Bustamante] We (the Liberty Movement) think that the state has other responsibilities, particularly in the areas of health, education, the administration of justice, road maintenance, and other public works in general. Sanchez Albavera's attitude is inconsistent with the economic policies of Minister Carlos Bolona who has been blamed for the increased gasoline prices.

[EL COMERCIO] Do these discrepancies create problems within the government?

[Bustamante] I believe they do. Because in the eyes of foreign investors, multilateral development organizations, and governments participating in the "Group of Support" who wish to help us, there is a contradiction between an economic policy moving toward liberalization and opening of the economy, and at the same time, people who continue to follow the "same old song," defending the state's intervention in the economy and its hegemonic role in certain productive activities which they pompously designate as strategic, when the state's only strategic role is the obligation to resolve people's problems.

[EL COMERCIO] Is the Minister of Energy the only one who has demonstrated that orientation within the Cabinet?

[Bustamante] Well, Sanchez Albavera has demonstrated that ideological orientation, but the Minister of Agriculture also did so, when he signed D.S. 030-91-Ag, which prohibits the use of powdered milk except for milk producers, thus constraining other producers, such as those of evaporated milk, chocolate, ice cream and cheese, who will have to pay higher prices for inputs, to the detriment of consumers. That is a mercantilist decision to the benefit of one sector of the population and the detriment of the general interest.

[EL COMERCIO] Who bears responsibility for these contradictions? The President?

[Bustamante] Yes, because he retains the contradictions within his ministerial team. But the Council of Ministers President is also to blame.

[EL COMERCIO] In your view, should those two ministers be replaced?

[Bustamante] If the government wishes to gain credibility, clarity, and harmony in economic policy, it should introduce the necessary changes.

Uruguay

Lacalle Views Economic, Government Issues

PY2007144091 Montevideo BUSQUEDA in Spanish
11-17 Jul 91 pp 56, 53

["Excerpts" of interview with President Luis Alberto Lacalle by BUSQUEDA; place and date not given]

[Excerpts] [BUSQUEDA] The government's primary goal has been to lower inflation. The cost of living increased almost 130 percent in 1990. This year it will be lower, although, it will still be high. What is the cause of this persistent inflation, despite the fact that we had a fiscal surplus in the last two quarters?

[Lacalle] There was no fiscal surplus. If we have to inject $320 million per year into the social security system, there can be no fiscal surplus. If this factor is eliminated, then perhaps we can bring inflation down from a moderate level to zero or perhaps just to a tolerable level. The obstacle to a reasonable inflation that would make it possible to save and invest with national currency is this tapping of the budget by the social security system.

[BUSQUEDA] Some people contend that the government's salary policy is partly responsible for the high inflation. What is your opinion?

[Lacalle] I do not believe so. On the contrary, perhaps the system for salaries in the private sector was not understood. The system that was implemented made it possible—for the first time in 20 years—to go five months without increasing salaries in the private sector. This was so because salaries remained at the same level for a long time, not because of any perverse reluctance to grant increases.

[BUSQUEDA] Is there, in your view, an overvaluation of the new peso?

[Lacalle] I believe that the way the exchange system is conducted can result in differences that are unacceptable to some sectors, but are beneficial to other sectors. There are two schools of thought on the exchange policy: Those who want it to be fast and those who want it to be slow, depending on whether they export or import. I do not believe that the Uruguayan system will ever have a totally transparent equilibrium between supply and demand because of the small sized market. A state organ may decide to make a large purchase at any time and also modify the exchange rate. I believe that it functions well as it is. An annual evaluation could perhaps allow a verification of whether there was overvaluation or just a variation in the curve. These things have to be looked at over more or less long periods.

[BUSQUEDA] Exporters say that they are increasingly losing competitiveness because of this overvaluation. One of the government's priorities is promoting exports. How can these two positions be brought together?

[Lacalle] At the end of the year we will see whether there was a reduction in the volume of exports or a reduction caused by bad pricing. I do not believe the balance will be bad, unless we measure it in dollars because the value of some products has decreased disgracefully. [passage omitted]

[BUSQUEDA] Is it true that a new plan for refinancing the domestic debt is being studied?

[Lacalle] We are constantly studying new refinancing plans. Our position on this issue is that 85 percent of the country has paid its debts. It is not a good policy, and it sends the wrong message to tell those who did pay that they made an incorrect decision.

I wish to reassert my position in favor of those who do pay; within this framework, we must also take into account the socioeconomic nature of small businesses that will disappear if they pay their debts. I am talking about those that owe amounts ranging from $15 to $20 million. Perhaps we could look for a solution for these people, by providing them with genuine resources which is not through banks. This could be done by representatives of society, if this is what society truly wants. However, we will not refinance. This means that if this is proposed and approved, all of society will say: "With genuine resources, we will pay the debt of the small businessmen, who have been unable to pay their debt, and who will be destroyed if they pay their debts."

[BUSQUEDA] Through taxes?

[Lacalle] Precisely. [passage omitted]

[BUSQUEDA] How do you view relations between the executive and judicial branches?

[Lacalle] We maintain normal relations, although our activities are carried out at different levels. When we talk about resources, there are always allegations about making sincere requests, but sometimes these requests are not in keeping with the government's economic plans. We have these disagreements, but we have been able to overcome them in harmony. In their capacity as citizens, the people, the president, and legislators are occasionally perplexed about how some judges implement the law, but we can only issue an opinion.

[BUSQUEDA] Specifically, what are you talking about?

[Lacalle] Sometimes, one wonders about the number of people who are sent to court, who are freed, or who are indicted in different parts of the country. But, of course, judges are free to do as they see fit.